

WEIL, GOTSHAL & MANGES LLP  
 700 Louisiana Street, Suite 1600  
 Houston, Texas 77002  
 Telephone: (713) 546-5000  
 Facsimile: (713) 224-9511  
 Alfredo R. Pérez

Attorneys for Lehman Brothers Holdings Inc.  
 and Certain of its Affiliates

**UNITED STATES BANKRUPTCY COURT  
 SOUTHERN DISTRICT OF NEW YORK**

-----X	
<b>In re</b>	<b>: Chapter 11 Case No.</b>
	<b>:</b>
<b>LEHMAN BROTHERS HOLDINGS INC., et al.</b>	<b>: 08-13555 (JMP)</b>
	<b>:</b>
<b>Debtors.</b>	<b>: (Jointly Administered)</b>
-----X	

**NOTICE OF HEARING ON MOTION PURSUANT TO RULE 9019  
 OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE FOR APPROVAL  
 OF SETTLEMENT WITH LEHMAN BROTHERS FINANCE AG (IN LIQUIDATION)**

PLEASE TAKE NOTICE that a hearing on the annexed motion (the “Motion”) of Lehman Brothers Holdings Inc. (“LBHI” and the “Plan Administrator”), as Plan Administrator under the Modified Third Amended Joint Chapter 11 Plan of Lehman Brothers Holdings Inc. and Its Affiliated Debtors (the “Plan”), for approval of a settlement agreement with Lehman Brothers Finance AG (in liquidation) a/k/a Lehman Brothers Finance SA (in liquidation) pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedure, all as more fully described in the Motion, will be held before the Honorable James M. Peck, United States Bankruptcy Judge, at the United States Bankruptcy Court, Alexander Hamilton Customs House, Courtroom 601, One Bowling Green, New York, New York 10004 (the “Bankruptcy Court”), on **April 24, 2013 at 10:00 a.m. (Prevailing Eastern Time)** (the “Hearing”).

**PLEASE TAKE FURTHER NOTICE** that objections, if any, to the Motion shall be in writing, shall conform to the Federal Rules of Bankruptcy Procedure and the Local Rules of the Bankruptcy Court for the Southern District of New York, shall set forth the name of the objecting party, the basis for the objection and the specific grounds thereof, shall be filed with the Bankruptcy Court (a) electronically in accordance with General Order M-399 (which can be found at [www.nysb.uscourts.gov](http://www.nysb.uscourts.gov)) by registered users of the Bankruptcy Court's filing system, and (b) by all other parties in interest, on a CD-ROM or 3.5 inch disk, in text-searchable portable document format (PDF) (with a hard copy delivered directly to Chambers), in accordance with the customary practices of the Bankruptcy Court and General Order M-399, to the extent applicable, and shall be served in accordance with General Order M-399 upon: (i) the chambers of the Honorable James M. Peck, One Bowling Green, New York, New York 10004; (ii) Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153, Attn: Alfredo R. Pérez, Esq. and Maurice Horwitz, Esq., attorneys for LBHI and certain of its affiliates; (iii) the Office of the United States Trustee for Region 2, 33 Whitehall Street, 21st Floor, New York, New York 10004, Attn: Tracy Hope Davis, Esq., Susan Golden, Esq., and Andrea B. Schwartz, Esq.; (iv) all parties who have requested notice in these chapter 11 cases; and (v) all parties with a particularized interest in the Motion, so as to be so filed and received no later than **April 17, 2013 at 4:00 p.m. (prevailing Eastern Time) (the "Objection Deadline")**.

PLEASE TAKE FURTHER NOTICE that if an objection to the Motion is not received by the Objection Deadline, the relief requested shall be deemed unopposed, and the Bankruptcy Court may enter an order granting the relief sought without a hearing.

PLEASE TAKE FURTHER NOTICE that objecting parties are required to attend the Hearing and failure to appear may result in relief being granted or denied upon default.

Dated: April 2, 2013  
Houston, Texas

/s/ Alfredo R. Pérez  
Alfredo R. Pérez  
WEIL, GOTSHAL & MANGES LLP  
700 Louisiana Street, Suite 1600  
Houston, Texas 77002  
Telephone: (713) 546-5000  
Facsimile: (713) 224-9511

Attorneys for Lehman Brothers Holdings Inc.  
and Certain of its Affiliates

WEIL, GOTSHAL & MANGES LLP  
700 Louisiana Street, Suite 1600  
Houston, Texas 77002  
Telephone: (713) 546-5000  
Facsimile: (713) 224-9511  
Alfredo R. Pérez

Attorneys for Lehman Brothers Holdings Inc.  
and Certain of its Affiliates

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

-----X  
**In re** : **Chapter 11 Case No.**  
:   
**LEHMAN BROTHERS HOLDINGS INC., et al.** : **08-13555 (JMP)**  
:   
: **(Jointly Administered)**  
**Debtors.** :   
-----X

**MOTION PURSUANT TO RULE 9019 OF THE FEDERAL RULES  
OF BANKRUPTCY PROCEDURE FOR APPROVAL OF SETTLEMENT  
AGREEMENT WITH LEHMAN BROTHERS FINANCE AG (IN LIQUIDATION)**

TO THE HONORABLE JAMES M. PECK,  
UNITED STATES BANKRUPTCY JUDGE:

Lehman Brothers Holdings Inc. (“LBHI” and the “Plan Administrator”), as Plan Administrator under the Modified Third Amended Joint Chapter 11 Plan of Lehman Brothers Holdings Inc. and Its Affiliated Debtors (the “Plan”), files this Motion and respectfully represents:

**Preliminary Statement**

1. By this Motion, the Plan Administrator seeks authority, on behalf of itself and the Chapter 11 Estates (defined below), to enter into a settlement agreement dated March 27, 2013, attached hereto as Exhibit A (the “Settlement Agreement”), with LBHI’s Swiss affiliate, Lehman Brothers Finance AG (in Liquidation), also known as Lehman Brothers Finance SA (en liquidation) (“LBF”). LBF is one of the few remaining material foreign affiliates that has not yet

consummated a comprehensive settlement with the Lehman US Debtors. LBF has also asserted some of the largest claims in these chapter 11 cases. In particular, LBF initially filed claims against LBHI aggregating to approximately \$59.3 billion. Although LBF filed amendments to these claims on December 13, 2011 that reduced LBF's aggregate claims against LBHI to approximately \$15.4 billion, LBF's claims against LBHI are extraordinary and among the largest Disputed Claims (as defined in the Plan) that remain unresolved against LBHI. Moreover, the majority of LBF's claims against LBHI purport to be guarantee claims based upon board resolutions adopted by the Executive Committee of LBHI's Board of Directors (the "Corporate Resolutions"). LBF asserts that the Corporate Resolutions constitute valid and enforceable guarantees of the obligations of certain other Lehman affiliates, and accordingly, LBF has asserted billions of dollars in claims based on its transactions with, and asserted claims against, these affiliates. LBHI has questioned the enforceability of the Corporate Resolutions, and has also disputed the validity of any claims based upon the Corporate Resolutions because applicable law generally requires the purported beneficiary of a guarantee to demonstrate both knowledge of, and reliance upon, a guarantee, and LBHI has not been satisfied that LBF can demonstrate either.

2. At the same time, LBHI has filed a substantial claim in the amount of approximately \$14.2 billion against LBF in LBF's bankruptcy proceeding, based primarily on intercompany loan transactions. LBHI's claim against LBF is a significant asset. LBF, however, has taken the position that the LBHI's claim should be treated as equity, being paid after creditors but before holders of common stock.<sup>1</sup> In addition, LBF has challenged LBHI's ability

---

<sup>1</sup> See *Objection to Motion Pursuant to Section 8.4 of the Modified Third Amended Chapter 11 Plan of Lehman Brothers Holdings Inc. and its Affiliated Debtors to Estimate the Amount of Disputed Claims Filed by Lehman Brothers Finance AG in Liquidation for Purposes of Establishing Reserves*, filed on January 19, 2012 [ECF No. 24421] at ¶ 20.

to prove the amount of its intercompany claim against LBF, and has asserted that it may have offsetting claims against LBHI under Swiss law for factual directorship.

3. After more than four years of highly contentious negotiations, LBHI and LBF have reached an economic resolution of the legal disputes summarized above. Pursuant to the Settlement Agreement, in full and final settlement of all of the intercompany claims between LBF and LBHI, LBHI will receive (i) an allowed claim against LBF in an amount equal to CHF 9.548875 billion (corresponding to \$8.75 billion converted to Swiss Francs at the rate of USD/CHF 1.0913) (the “LBHI Claim”) and (ii) assignment from LBF of LBF’s claims against certain of LBHI’s affiliates. To resolve the legal dispute concerning treatment of LBHI’s claim as equity, LBHI has agreed partially to subordinate the LBHI Claim to the claims of LBF’s third-party creditors, as more fully described below. In addition, under the Settlement Agreement, LBF will have an allowed claim against LBHI in the amount of approximately \$942 million on account of LBHI’s guarantee of certain securities owned by LBF (the “Allowed LPS Claim”). Furthermore, the other Chapter 11 Estates and certain of LBHI’s non-debtor affiliates have reached agreement on the reconciled and allowed amounts of the intercompany claims that been asserted between them.

4. With the exception of the Allowed LPS Claim, which exceeds \$200 million, the Plan Administrator is authorized to enter into the compromise and settlement described above on behalf of the Chapter 11 Estates without prior approval of the Court pursuant to the *Order Modifying Certain Existing Claims Orders* entered on July 18, 2012 [ECF No. 29505] (the “Second Settlement Procedures Order”). Pursuant to the Second Settlement Procedures Order, the Plan Administrator “is authorized to settle any and all Claims...asserted against the Debtors [as such terms are defined in the Plan] without prior approval of the

[Bankruptcy] Court or any other party in interest where...the allowed amount of the settled Claim is less than or equal to \$200 million.” (Second Settlement Procedures Order at p. 2.)

5. Nevertheless, LBF has insisted that the Plan Administrator obtain the approval of this Court of the entire Settlement Agreement as a condition precedent to the effectiveness of the Settlement Agreement. Given the immense value that LBHI is likely to realize on account of both the LBHI Claim and the LBF Claim Assignment, LBHI has agreed to this condition precedent. The Settlement Agreement offers a fair and reasonable settlement of the litigation risk associated with litigation over the enforceability of LBF’s claims against LBHI, and LBHI’s claim against LBF. Moreover, the resolution of these disputes will enable LBF to begin making distributions to its creditors and embark on the road towards maximizing the value of its estate for the benefit of all of its creditors, including LBHI. For these reasons, in the considered judgment of LBHI, the Settlement Agreement is manifestly in the best interests of both LBHI and LBF, and should be approved.

### **Background**

6. Commencing on September 15, 2008, and periodically thereafter (as applicable, the “Commencement Date”), LBHI and certain of its subsidiaries commenced with this Court voluntary cases (together, the “Chapter 11 Cases”) under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”). The Chapter 11 Cases have been consolidated for procedural purposes only and are being jointly administered pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”).

7. On December 22, 2008, a bank/security dealer bankruptcy proceeding (the “Swiss Bankruptcy”) was commenced for LBF pursuant to Swiss law and

PricewaterhouseCoopers AG, Zurich (“PwC”) was appointed as the bankruptcy liquidator of LBF.

8. On February 10, 2009, PwC commenced a case under chapter 15 of the Bankruptcy Code by filing a petition seeking recognition as the foreign representative of LBF, and of the Swiss Bankruptcy as a foreign main proceeding. *See In re Lehman Brothers Finance AG, in Liquidation*, Case No. 09-10583 (the “Chapter 15 Case”).

9. On March 12, 2009, this Court entered an *Order Granting Recognition of Foreign Main Proceeding and Related Relief Under Chapter 15*, ECF No. 24 in the Chapter 15 Case. Additional information regarding the Swiss Bankruptcy is contained in LBF’s [title of the LBF motion] which LBF has filed in the Chapter 15 Case concurrently with the Motion.

10. On December 6, 2011, the Court approved and entered an order confirming the Plan [ECF No. 23023] (the “Confirmation Order”). The Plan became effective on March 6, 2012. Pursuant to the Plan, the Plan Administrator, among other things, is authorized to implement the provisions of the Plan on behalf of LBHI and its affiliates who commenced the Chapter 11 Cases (the “Chapter 11 Estates”).

11. The Confirmation Order provides that the *Order Pursuant to Section 105(a) of the Bankruptcy Code and Bankruptcy Rules 3007 and 9019(b)* [ECF No. 7936] (the “First Settlement Procedures Order”) shall continue to apply and be binding on all parties following the effective date of the Plan through the date upon which all of the Chapter 11 Cases have been closed in accordance with Section 6.6 of the Plan.

12. As stated above, on July 18, 2012, the Court entered the Second Settlement Procedures Order, which superseded the First Settlement Procedures Order.



### **Jurisdiction**

13. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b).

### **The Claims Disputes**

14. Prior to the Commencement Date, LBF served as the global center for Lehman's equity derivatives business. As one of the most significant holders of counterparty risk across the Lehman enterprise, LBF held open derivative positions with virtually every major Lehman affiliate that traded in derivatives or similar products, as well as with hundreds of third-party (*i.e.*, non-affiliate) counterparties.

15. Because of its role as the hub of Lehman's global equity derivatives business, LBF's asset base is comprised primarily of receivables from "in the money" derivatives trades. A substantial portion of these in the money trades are with Lehman affiliates that are now subject to a variety of insolvency proceedings in several foreign jurisdictions. In some cases, LBF is the largest creditor in these affiliates' insolvency proceedings. Its largest claims are against Lehman Brothers Securities N.V. ("LBS") and Lehman Brothers Treasury Co. B.V. ("LBT"), two entities that issued "structured" investment products, *i.e.*, securities whose value is linked to an underlying asset or index. LBS and LBT, typically hedged the derivative aspect of these securities by entering into intercompany hedging transactions with LBF. Other affiliates similarly hedged their equity derivative exposure to the street with LBF. In total, LBF now has (i) an allowed claim against LBS in the amount of approximately \$4.411 billion and (ii) an allowed claim against LBT in the amount of approximately \$3.275 billion.

16. LBHI, on the other hand, as the central banker for most of the Lehman enterprise, provided LBF with the funding that enabled LBF to trade with these affiliates and, as

a result, ultimately gave rise to billions of dollars in intercompany receivables from other Lehman affiliates to LBF. As a result, LBHI is LBF's largest creditor, and has asserted a claim against LBF in the amount of approximately \$14.2 billion (the "LBHI Funding Claim").

17. Based on its claims against other Lehman affiliates, LBF has also asserted a claim against LBHI that purports to be a guarantee claim based upon the Corporate Resolutions (the "LBF Corp-Res Claim"). The LBF Corp-Res Claim was initially asserted in the amount of approximately \$52.3 billion; LBF subsequently amended its claims against LBHI and as part of these amendments, reduced the LBF Corp-Res Claim to approximately \$12.7 billion. Together with other claims, LBF now asserts a total of approximately \$15.4 billion in claims against LBHI.

18. For the past four years, both the LBHI Funding Claim and the LBF Corp-Res Claim have been the subject of highly contentious debate and controversy between LBHI and LBF. LBHI has disputed the amount and validity of the LBF Corp-Res Claim, as stated above, because applicable law generally requires the purported beneficiary of a guarantee to demonstrate both knowledge of, and reliance upon, a guarantee. To date, LBF has demonstrated neither to LBHI's satisfaction. LBHI also has serious concerns as to whether the Corporate Resolutions are enforceable contracts at all.

19. LBF, on the other hand, has taken the position that the LBHI Funding Claim should be either subordinated, or recharacterized as equity under Swiss law; *i.e.*, in either case, that the LBHI Funding Claim should receive no distributions from LBF's liquidation until all other creditors are paid in full. Based upon advice from Swiss counsel, LBHI has vigorously disputed this assertion for several reasons. LBHI has taken the position that as long as a corporation is neither under-capitalized nor over-indebted, there exists no statutory authority or

case-law in Switzerland to support subordination of intercompany loans or recharacterization of such loans as equity. Indeed, there is also no statutory authority, and only dubious precedent, for subordination of any claims even where a court does make certain findings, including over-indebtedness or under-capitalization, neither of which is present here. Based on LBHI's review of LBF's financial records, LBHI has concluded that LBF likely cannot demonstrate that LBF was under-capitalized or over-indebted prior to the Swiss Bankruptcy. LBF has disputed these facts, and has argued that sufficient legal precedent and scholarly doctrine exists to support its position that the LBHI Funding Claim should be subordinated or treated as equity.

### **The Settlement**

20. The settlement and compromise embodied in the Settlement Agreement is comprised of three key elements:<sup>2</sup>

- (a) **The LBF Claim Assignment:** LBF will assign to LBHI all of its right, title and interest in claims that LBF has asserted against certain other Lehman affiliates as set forth in the Settlement Agreement (and which form the basis for LBF's asserted guarantee claims against LBHI) (the "**LBF Claim Assignment**"), and will withdraw all of its asserted claims against the Chapter 11 Estates except for an allowed claim against LBHI in the amount of \$942 million based on certain securities guaranteed by LBHI (*see* ¶ 20(b) below). The assigned claims include LBF's claims against (i) Lehman Brothers Securities N.V. ("**LBS**"), which LBS has allowed in the amount of approximately \$4.411 billion, and (i) Lehman Brothers Treasury Co. B.V. ("**LBT**"), which LBF has asserted in an amount equal to approximately \$3.478 billion.
- (b) **The LBHI Claim.** LBHI's claim against LBF will be reduced to, and LBHI will have an allowed claim against LBF in the amount of, CHF 9.548875 billion (corresponding to approximately \$8.75 billion converted to Swiss Francs at the rate of USD/CHF 1.0913).
- (c) **The LBF Waterfall:** LBHI has also agreed partially to subordinate the LBHI Claim to the claims of LBF's third-party creditors. Specifically,

---

<sup>2</sup>

This summary is intended to be used for information purposes only. This summary is qualified in its entirety by the provisions of Settlement Agreement's governing documentation and shall not, in any way, affect the meaning or interpretation thereof.

LBF will implement a waterfall (the “LBF Waterfall”) in its liquidation that provides an initial priority recovery to general unsecured third-party creditors of \$1.275 billion (provided that no such creditor shall receive more than 50% of its allowed claim). LBF’s affiliate creditors shall receive a priority distribution equal, on a percentage basis, to the priority recovery, on a percentage basis, of LBF’s third party creditors. Following this initial priority distribution, LBHI will participate *pro rata* with all creditors in LBF’s distributions.

21. In addition to the LBF Claim Assignment, the LBHI Claim, and the LBF Waterfall, the Settlement Agreement provides for the allowance of certain claims against LBF and LBHI. Specifically:

- (a) Lehman Brothers Commodity Services Inc. (“LBCS”) and Lehman Commercial Paper Inc. (“LCPI”) will have allowed claims against LBF in the amount of approximately \$1.3 million and \$232 thousand respectively (the “Other Debtor Allowed Claims”).
- (b) LBF will have the Allowed LPS Claim in the amount of approximately \$942 million against LBHI on account of LBHI’s guarantee of certain securities held by LBF. Although this claim will be classified as a Senior Affiliate Guarantee Claim under the Plan (LBHI Class 4B), LBF has agreed to treatment of the claim as a Senior Third Party Guarantee Claim (LBHI Class 5).
- (c) Certain of LBHI’s non-debtor affiliates set forth on Exhibit C to the Settlement Agreement will obtain allowed claims against LBF in the amounts set forth therein (the “Non-Debtor Allowed Claims”).

22. Effectiveness of the Settlement Agreement is subject to a number of conditions precedent, including approval of the Settlement Agreement by this Court in both the Chapter 11 Cases and the Chapter 15 Case.

#### **Basis for The Relief Requested**

23. Bankruptcy Rule 9019(a) provides “[o]n motion by the trustee and after notice and a hearing, the court may approve a compromise or settlement.” Fed. R. Bankr. P. 9019(a). This rule empowers bankruptcy courts “to approve settlements if they are in the best interests of the estate.” *Vaughn v. Drexel Burnham Lambert Grp., Inc. (In re Drexel Burnham*

*Lambert Grp., Inc.*), 134 B.R. 499, 505 (Bankr. S.D.N.Y. 1991). The settlement need not result in the best possible outcome for the debtor, but must not “fall beneath the lowest point in the range of reasonableness.” *Id.*; see also *Cosoff v. Rodman (In re W.T. Grant Co.)*, 699 F.2d 599, 608 (2d Cir. 1983); *In re Spielfogel*, 211 B.R. 133, 144 (Bankr. E.D.N.Y. 1997).

24. “Compromises are a normal part of the process of reorganization.” *Prot. Comm. for Indep. Stockholders of TMT Trailer Ferry, Inc. v. Anderson* (“*TMT Trailer Ferry*”), 390 U.S. 414, 424 (1968) (quoting *Case v. L.A. Lumber Prods. Co.*, 308 U.S. 106, 130 (1939)). The decision to approve a particular compromise lies within the sound discretion of the bankruptcy court. See *Nellis v. Shugrue*, 165 B.R. 115, 123 (S.D.N.Y. 1994). The court’s discretion must be exercised “in light of the general public policy favoring settlements.” *In re Hibbard Brown & Co.*, 217 B.R. 41, 46 (Bankr. S.D.N.Y. 1998). A proposed compromise and settlement implicates the issue of whether it is “fair and equitable, and ... in the best interest of the [debtor’s] estate.” *In re Best Products Co.*, 168 B.R. 35, 50 (Bankr. S.D.N.Y. 1994) (internal citations omitted). The court must apprise itself “of all [relevant] facts necessary for an intelligent and objective opinion of the probabilities of ultimate success should the claim be litigated.” *TMT Trailer Ferry*, 390 U.S. at 424.

25. While a court must evaluate “all ... factors relevant to a full and fair assessment of the wisdom of the proposed compromise,” *TMT Trailer Ferry*, 390 U.S. at 424, there is no requirement for the conduct of a “mini-trial” of the claims being settled or a full independent investigation. See *In re W.T. Grant Co.*, 699 F.2d at 608; *In re Drexel Burnham Lambert Grp., Inc.*, 134 B.R. at 505. “The bankruptcy judge does not have to decide the numerous questions of law and fact. . . The court need only canvass the settlement to determine whether it is within the acceptable range of reasonableness.” *Nellis*, 165 B.R. at 123 (internal

citations omitted). Lastly, in assessing a global settlement of claims, “[t]he appropriate inquiry is whether the Settlement Agreement *in its entirety* is appropriate for the . . . estate.” *Air Line Pilots Ass’n, Int’l v. Am. Nat’l Bank & Trust Co. of Chi. (In re Ionosphere Clubs, Inc.)*, 156 B.R. 414, 430 (S.D.N.Y. 1993) (emphasis added), *aff’d*, 17 F.3d 600 (2d Cir. 1994).

26. The Settlement Agreement offers tremendous value both to LBHI and LBF and is manifestly in their best interests. Principally, LBF Claim Assignment and the LBF Waterfall obviate the need for LBHI and LBF to engage in litigation on two fronts: in this Court, over the validity and enforceability of LBF’s claims based on the Corporate Resolution, and in the Swiss courts, over the recharacterization of LBHI’s claims against LBF. Litigation over the Corporate Resolutions would be highly fact intensive and uncertain, requiring extensive discovery and evidentiary hearings to establish whether LBF held the requisite degrees of knowledge and reliance upon the Corporate Resolutions. The concurrent litigation in Switzerland, concerning whether LBHI’s claims should be treated as equity, is likely to raise issues of first impression under Swiss law, and would certainly proceed to a lengthy and costly appellate process, potentially all the way to the Federal Supreme Court of Switzerland. Either one of these potential legal battles alone would consume inordinate amounts of time and resources; together, they would be an immense burden on both estates, and from the perspective of LBHI, would ultimately erode any value that LBHI could have expected to realize from LBF’s estate. As a result of the arms’-length negotiations that have taken place over the past four years, the Settlement Agreement resolves the foregoing legal disputes in a manner that allows LBHI to realize considerable value both from LBF’s estate through the LBHI Claim, and from the estates of certain of its affiliates, including LBT and LBS, through the LBF Claims Assignment, while

allowing LBF to reach satisfactory compromise of the recharacterization risk that it perceives to be the primary risk attendant to LBHI's claim.

27. The Allowed LPS Claim will be allowed in an amount that has been determined, and is consistent with, the methodology implemented by LBHI in determining the allowed amount of other structured securities issued by certain affiliates of LBHI. Similarly, the Other Debtor Allowed Claims and the Non-Debtor Allowed Claims will be allowed, pursuant to the Settlement Agreement, in amounts that are consistent with the reconciled books and records of the respective entities. Thus, with respect to these claims, the Plan Administrator submits that the Settlement Agreement falls well above the lowest point in the range of reasonableness.

28. For all the foregoing reasons, it is beyond peradventure that the Settlement Agreement results in a highly desirable outcome for all parties, is manifestly in the best interests of all parties to the Settlement Agreement and their stakeholders, and should be approved.

### **Notice**

29. No trustee has been appointed in the Chapter 11 Cases. The Plan Administrator, in accordance with the procedures set forth in the second amended order entered on June 17, 2010 governing case management and administrative procedures for these cases [ECF No. 9635], has served notice of this Motion on (i) the U.S. Trustee; (ii) the Securities and Exchange Commission; (iii) the Internal Revenue Service; (iv) the United States Attorney for the Southern District of New York; (v) LBF; and (vi) all parties who have requested notice in these chapter 11 cases. The Plan Administrator submits that no other or further notice need be provided.

30. No previous request for the relief sought herein has been made by LBHI or the Plan Administrator to this or any other court.

WHEREFORE the Plan Administrator respectfully requests that the Court grant the relief requested herein and such other and further relief as it deems just and proper.

Dated: April 2, 2013  
Houston, Texas

/s/ Alfredo R. Pérez  
Alfredo R. Pérez

WEIL, GOTSHAL & MANGES LLP  
700 Louisiana Street, Suite 1600  
Houston, Texas 77002  
Telephone: (713) 546-5000  
Facsimile: (713) 224-9511

Alfredo R. Pérez

Attorneys for Lehman Brothers Holdings Inc. and  
Certain of its Affiliates



**Exhibit A**

### ***SETTLEMENT AGREEMENT***

This Settlement Agreement (the “Agreement”) is made and entered into as of March 27, 2013 (the “Execution Date”), by and among (i) the LBHI Parties, and (ii) Lehman Brothers Finance AG (in Liquidation), also known as Lehman Brothers Finance SA (en liquidation) (“LBF”). Each LBHI Party and LBF shall each sometimes be referred to individually as a “Party” and, collectively, as the “Parties.”

### **RECITALS**

WHEREAS, on September 15, 2008 and on various dates thereafter, the US Debtors commenced voluntary Chapter 11 Cases under chapter 11 of the Bankruptcy Code in the Bankruptcy Court; the Chapter 11 Cases are being jointly administered under Case Number 08-13555 (JMP);

WHEREAS, on December 19, 2008 (with effect as of December 22, 2008), the Swiss Federal Banking Commission (now the Swiss Financial Markets Supervisory Authority (“FINMA”)) entered the LBF Bankruptcy Order commencing the LBF Swiss Proceeding and appointed PwC (Zurich) as bankruptcy liquidator of LBF (“LBF Liquidator”);

WHEREAS, on March 12, 2009, the Bankruptcy Court entered an order commencing the LBF Chapter 15 Proceeding;

WHEREAS, on November 9, 2012, FINMA recognized and authorized LBHI, Lehman Brothers Commercial Corporation, Lehman Brothers Special Financing Inc., Lehman Commercial Paper Inc., Lehman Commodity Services Inc., and Lehman Brothers OTC Derivatives Inc., to enforce their claims against LBF without secondary bankruptcy proceedings being opened in Switzerland;

WHEREAS, the US Debtors and LBF are parties to the Lehman Global Protocol which generally provides for mutual information sharing and cooperation between the parties thereto;

WHEREAS, the US Debtors have submitted the US Debtors’ Claims against LBF in the LBF Swiss Proceeding and the LBHI Joinder Parties have submitted the US Non-Debtor Claims against LBF in the LBF Swiss Proceeding;

WHEREAS, LBF has submitted the LBF Claims against the US Debtors in the Chapter 11 Cases and against the LBHI Joinder Parties;

WHEREAS, the Parties have entered into the Tolling Agreement; and

WHEREAS, the Parties are desirous of resolving all disputes and all issues between the LBHI Parties and LBF so as to avoid extensive, uncertain and expensive litigation.

**NOW, THEREFORE**, in consideration of the recitals stated above, the agreements, promises and warranties set forth below and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

#### **1. *Definitions.***

Except as otherwise specified herein or as the context may otherwise require, the following terms have the respective meanings set forth below for all purposes of this Agreement.

“Affiliate” means “Affiliate” as defined in section 101(2) of the Bankruptcy Code.

“Agreement” is defined in the Preamble.

“Applicable Swiss Law” means the laws of Switzerland.

“Assigned Affiliate Claims” has the meaning ascribed to such term in Section 3 of this Agreement.

“Assignment Offer” means an offer, as determined by the LBF Liquidator, for the assignment of the right to pursue the LBF Claims and the right to object to the claims of LBHI and the other LBHI Parties against LBF, according to Article 260 of the Swiss Federal Law on Debt Enforcement and Bankruptcy (SchKG).

“Bankruptcy Code” means title 11 of the United States Code.

“Bankruptcy Court” means the United States Bankruptcy Court for the Southern District of New York.

“Business Day” means any day that is none of a Saturday, Sunday, United States federal holiday, a New York state holiday or a bank or public holiday in Zurich.

“Chapter 11 Cases” means the bankruptcy cases being jointly administered under Case Number 08-13555 (JMP) in the Bankruptcy Court.

“Claim” or “Claims” shall have the meaning in section 101(5) of the Bankruptcy Code.

“Creditors’ Committee” means the creditors’ committee appointed in the LBF Swiss Proceeding.

“Effective Date” means a date, as agreed between the Parties, within five (5) Business Days following the satisfaction or waiver of all conditions precedent set forth in Section 5.

“Exchange Rate” means USD/CHF 1.0913.

“Extended Lien Provision” means (i) with respect to the LBHI Parties, a term in any agreement between any such LBHI Party or an Affiliate which purports to confer an encumbrance in favour of any other Affiliate in respect of assets to secure debts owed by such LBHI Party to such other Affiliate; and (ii) with respect to LBF, a term in any agreement between that LBF and an Affiliate which purports to confer an encumbrance in favour of any other Affiliate in respect of assets to secure debts owed by LBF to such other Affiliate.

“JPM Claim” means all claims for which LBHI is subrogated to a claim of JPMorgan Chase Bank, N.A. or any of its affiliates (each a “JPM Entity”) against LBF, to the extent of the payments made by LBHI or applied from LBHI’s property to such claim of such JPM Entity pursuant to that certain Collateral Disposition Agreement among JPMorgan Chase Bank, N.A. and the US Debtors, dated March 16, 2010

“Kollokationsplan” means the schedule of claims to be established by the LBF Liquidator listing the admitted claims against LBF.

“LAMCO” means Lehman Asset Management Company.

“LBF Claims” means the claims of LBF timely asserted against the US Debtors and asserted against the LBHI Joinder Parties.

“LBF Allowed Claim” means the claim of LBF against LBHI based on the LBF Lehman Program Securities, which claim shall be allowed in the amount and value set forth on Exhibit B, shall not be subject to any set-off, and shall be classified in LBHI Class 4B under the US Debtors’ Plan, but treated as if it were an unsecured, non-priority, senior third-party guarantee claim against LBHI in LBHI Class 5 of the US Debtors’ Plan.

“LBF Bankruptcy Order” means the Order entered by the Swiss Federal Banking Commission on December 19, 2008 (with effect of December 22, 2008), opening bankruptcy proceedings over LBF and appointing PricewaterhouseCoopers AG, Zürich as bankruptcy liquidator of LBF with sole authority to act on LBF’s behalf.

“LBF Chapter 15 Proceeding” means that certain proceeding pursuant to chapter 15 of the Bankruptcy Code for LBF pending in the Bankruptcy Court and captioned *In re Lehman Brothers Finance AG, In Liquidation*, Case No. 09-10583 (JMP) which proceeding recognizes (a) PwC (Zurich), in its capacity as the LBF Liquidator, as the duly appointed and authorized “foreign representative” of LBF, and (b) the Swiss bankruptcy proceeding related to LBF as a “foreign main proceeding”.

“LBF Excluded Claims” means (i) the agreements, promises, settlements, representations and warranties set forth in the Agreement, (ii) the claims represented by the LBF Allowed Claim, (iii) any Non-Party Claim, and (iv) solely to the extent required for the purposes of Section 2.5(b) of this Agreement, any Claim based upon an Extended Lien Provision.

“LBF Lehman Program Securities” means those securities set forth on Exhibit B.

“LBF Released Claim” means all claims, demands, rights, duties, remedies, judgments, executions, debts, damages, liabilities, causes of action, costs, expenses, and Claims, of every kind, nature, character and description whatsoever (other than the LBF Excluded Claims), whether accrued or unaccrued, known or unknown, suspected or unsuspected, matured or unmatured, liquidated or unliquidated, certain or contingent, whether based on contract, federal, state, local, statutory or common law (including Applicable Swiss Law) or any other law, rule or regulation of any jurisdiction, or otherwise, that have been, could have been or might hereafter be asserted in any action, suit or proceeding, whether directly, indirectly, representatively or in any other capacity, in law or in equity, by the LBF Releasing Parties against any of the LBF Released Parties arising out of or in any way related to any members of the former Lehman Brothers group (including, without limitation, the business activities, assets or liabilities thereof). The release of the LBF Released Claims by the LBF Releasing Parties shall be a waiver and relinquishment, to the fullest extent permitted by law, of all provisions, laws and rules limiting relinquishment of unknown or unsuspected claims, including the provisions, rights and benefits of Section 1542 of the California Civil Code, which provides:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR”

and any and all provisions, rights and benefits of any similar statute or common law rule of any other jurisdiction. The term LBF Released Claim shall specifically include, without limitation: (i) any administrative expense claim arising under Applicable Swiss Law or the Bankruptcy Code, (ii) any US Avoidance Action or Swiss Avoidance Action, (iii) any right of subrogation; and (iv) any Claim based upon any Extended Lien Provision, except to the extent preserved solely for the purposes of Section

2.5(b) of this Agreement. The term LBF Released Claim shall specifically not include LBF Excluded Claims.

"LBF Released Parties" means the following Persons: (i) the LBHI Parties, (ii) solely in their capacities with the LBHI Parties, all past and present officers, directors, employees, agents, representatives, consultants, financial advisors, accountants, attorneys, professionals and other advisors of or to the LBHI Parties, (iii) the former members of the Board of Directors of LBF appointed by LBHI, in their capacity as members of the Board of Directors and not in any other capacity, including as an advisor to LBF or the LBF Liquidator, respectively, and (iv) all successors, assigns, heirs, and personal representatives of each Person referred to in this definition. For the avoidance of doubt, LBF Released Parties does not include LBF's auditors or accountants.

"LBF Releasing Party" means LBF, on behalf of itself, its estate, its successors and assigns, and any Person claiming through or on behalf of LBF (including the LBF Liquidator).

"LBF Reserve Amount" means any amount required by the US Debtors' Plan, or an order of the Bankruptcy Court, to be reserved by the US Debtors on account of claims filed by LBF against such entities.

"LBF Swiss Proceeding" means the Swiss bankruptcy proceeding commenced with respect to LBF pursuant to the LBF Bankruptcy Order.

"LBHI" means Lehman Brothers Holdings Inc., one of the US Debtors.

"LBHI Joinder Parties" means 314 Commonwealth Ave., Inc.; LB Investment Mgmt Company Ltd., Lehman/SDI Inc.; Lehman Brothers P.A. LLC; LB Hercules Holdings (Neuberger Berman LLC); Woodlands Commercial Corporation; and LB I Group Inc.

"LBHI Parties" means the US Debtors and the LBHI Joinder Parties.

"LBHI Joinder Party Claims" means the Claims, if any, of the LBHI Joinder Parties set forth on Exhibit "C".

"LBHI Party Excluded Claims" means (i) the agreements, promises, settlements, representations and warranties set forth in the Agreement, (ii) the claim represented by the LBHI Reduced Claim, (iii) any Non-Party Claim, (iv) LBHI's claims against LBF based on warrants issued by LBF, (v) any right of subrogation referred to sections 8.13 and 8.14 of the US Debtors' Plan, including for the avoidance of doubt the JPM Claim, provided, however, that in no event shall LBF be required or obligated to make distributions on account of the JPM Claim both to LBHI and JPMorgan Chase Bank N.A., (vi) any claims of Lehman Brothers Commodity Services Inc. and Lehman Commercial Paper Inc. allowed pursuant to Section 2.2(a), (vii) any claims of the LBHI Joinder Parties that are allowed pursuant to Section 2.3., and (viii) solely to the extent required for the purposes of Section 2.5(a) of this Agreement, any Claim based upon an Extended Lien Provision.

"LBHI Party Released Claims" means all claims, demands, rights, duties, remedies, judgments, executions, debts, damages, liabilities, causes of action, costs, expenses, and Claims, of every kind, nature, character and description whatsoever (other than the LBHI Party Excluded Claims), whether accrued or unaccrued, known or unknown, suspected or unsuspected, matured or unmatured, liquidated or unliquidated, certain or contingent, whether based on contract, federal, state, local, statutory or common law (including Swiss Law) or any other law, rule or regulation of any jurisdiction, or otherwise, that have been, could have been or might hereafter be asserted in any action, suit or proceeding, whether directly,

indirectly, representatively or in any other capacity, in law or in equity, by the LBHI Releasing Parties against any of the LBHI Released Parties arising out of or in any way related to any members of the former Lehman Brothers group (including, without limitation, the business activities, assets or liabilities thereof). The release of the LBHI Party Released Claims by the LBHI Party Releasing Parties shall be a waiver and relinquishment, to the fullest extent permitted by law, of all provisions, laws and rules limiting relinquishment of unknown or unsuspected claims, including the provisions, rights and benefits of Section 1542 of the California Civil Code, which provides:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR”

and any and all provisions, rights and benefits of any similar statute or common law rule of any other jurisdiction. The term LBHI Party Released Claims shall specifically include, without limitation: (i) any administrative expense claim arising under Applicable Swiss Law or the Bankruptcy Code, (ii) any US Avoidance Action or Swiss Avoidance Action, (iii) any right of subrogation (other than those rights that are LBHI Party Excluded Claims and treated as provided in Section 2.2(c) herein), and (iv) any Claim based upon any Extended Lien Provision, except to the extent preserved solely for the purposes of Section 2.5(b) of this Agreement. The term LBHI Party Released Claims shall specifically not include the LBHI Party Excluded Claims.

“LBHI Reduced Claim” means an agreed, general unsecured and unprivileged claim of LBHI against LBF in an amount of CHF 9.548875 billion (corresponding to USD \$8.75 billion converted to Swiss Francs at the Exchange Rate) and treated in the Kollokationsplan and LBF Swiss Proceeding as provided in this Agreement.

“LBHI Released Parties” means the following Persons: (i) LBF, (ii) the LBF Liquidator, (iii) FINMA, (iv) all past and present employees, professionals and advisors of FINMA, LBF and the LBF Liquidator, respectively, and (v) all successors, assigns, heirs, and personal representatives, and all past and present officers, directors, employees, agents, representatives, consultants, financial advisors, accountants and attorneys, of each Person referred to in this definition.

“LBHI Releasing Parties” means the LBHI Parties, their estates, their successors and assigns, and any entity claiming through or on behalf of such entities.

“Lehman Global Protocol” means that certain Cross-Border Insolvency Protocol for the Lehman Brothers Group of Companies dated May 12, 2009.

“Non-Party Claim” means any Claim of a Party against an Other Non-Party, including without limitation any such Claim arising from the guaranty by a Party of an obligation of any entity or from the guaranty of an obligation of a Party.

“Other Non-Party” means any person, entity or other organization which is not a party to this Agreement.

“Plan Administrator” shall have the meaning ascribed to it in the US Debtors’ Plan.

“PwC (Zurich)” means PricewaterhouseCoopers AG, Zurich.

"Retained Affiliate Claims" means claims of LBF against Affiliates of LBHI that are not LBF Released Claims or Assigned Affiliate Claims, including claims of LBF against Lehman Brothers International (Europe).

"Rule 9019 Order" means the order entered by the Bankruptcy Court in the Chapter 11 Cases and the LBF Chapter 15 Proceeding approving this Agreement.

"Settlement Interest Amount" means a minimum of CHF 6 billion.

"Swiss Avoidance Actions" means all avoidance actions and causes of action which may be brought by LBF against any LBF Released Party pursuant to Applicable Swiss Law, including but not limited to the provisions of Art. 285 et seq. of the Swiss Federal Law on Debt Enforcement and Bankruptcy.

"Swiss Court Order" means the entry by a Swiss court of competent jurisdiction of any final, non-appealable decision.

"Tax" means any tax, levy, impost, duty or other charge or withholding of a similar nature, including any related penalty or interest.

"Third Class Claim" means a third class claim according to Article 219 of the Swiss Federal Law on Debt Enforcement and Bankruptcy.

"Third Party Creditors" means all creditors of LBF (other than the US Debtors but including Lehman Brothers Commodity Services, Inc., and Lehman Commercial Paper, Inc.) whose claims have been admitted as Third Class Claims in the Kollokationsplan.

"Third Party Affiliate Creditors" means all Third Party Creditors (including Lehman Brothers Commodity Services, Inc. and Lehman Commercial Paper, Inc.) who are Affiliates of the US Debtors.

"Third Party Non-Affiliate Creditors" means all Third Party Creditors other than Third Party Affiliate Creditors.

"Tolling Agreement" means that certain Amended Tolling Agreement, dated as of September 14, 2012, between LBF and LBHI.

"US Avoidance Action" means (i) any and all actions under US Bankruptcy Law seeking the avoidance of a transfer or obligation, including Sections 542-553 of the US Bankruptcy Code; and (ii) similar actions under other applicable law.

"US Debtors' Claims" mean the Claims that have been submitted in the LBF Swiss Proceeding by the US Debtors against LBF.

"US Debtors" means LBHI; LB 745 LLC; PAMI Statler Arms LLC; Lehman Brothers Commodity Services Inc.; Lehman Brothers Special Financing Inc.; Lehman Brothers OTC Derivatives Inc.; Lehman Brothers Derivative Products Inc.; Lehman Commercial Paper Inc.; Lehman Brothers Commercial Corporation; Lehman Brothers Financial Products Inc.; Lehman Scottish Finance L.P.; CES Aviation LLC; CES Aviation V LLC; CES Aviation IX LLC; East Dover Limited; Luxembourg Residential Properties Loan Finance S.a.r.l.; BNC Mortgage LLC; Structured Asset Securities

Corporation; LB Rose Ranch LLC; LB 2080 Kalakaua Owners LLC; Merit LLC; LB Somerset LLC; and LB Preferred Somerset LLC.

“US Debtors’ Plan” means that certain chapter 11 plan of reorganization for the US Debtors confirmed by the Bankruptcy Court by confirmation order, dated December 6, 2011.

2. *Settlement of Claims.*

2.1. *Effectiveness.*

2.1.(a) Sections and subsections of 2.1, 2.2(b), 3.1, 4.2, 5.1, 5.2, 5.3, 6, 7, 8, 9, 11, 12, 13, 15, 16, 17, 18, 19, 20, 21, 22, 23, and 25 of this Agreement shall be effective on the Execution Date.

2.1.(b) Sections 3.2(d) and 3.2(e) of this Agreement shall be effective on the later of the Execution Date, the date upon which the Rule 9019 Order is entered, and the satisfaction of the Creditors’ Committee Approval Condition.

2.1.(c) All other provisions of this Agreement shall be effective on the Effective Date.

2.2. *The LBHI Reduced Claim.*

2.2.(a) *The LBHI Reduced Claim Amount.* In full and complete satisfaction and settlement of all of the LBHI Party Released Claims, the claims filed by LBHI in the LBF Swiss Proceeding shall be amended and recognized as a Third Class Claim against LBF in the amount of the LBHI Reduced Claim, which LBHI Reduced Claim shall be treated as provided in this Agreement. Upon the Effective Date, LBHI irrevocably withdraws and finally waives any and all further claims it may have or assert against LBF. The LBHI Reduced Claim will not be subject to any set-off. The other LBHI Parties irrevocably withdraw and finally waive any and all claims that any of them may have or assert against LBF, including any claims against LBF that might have arisen or might arise in relationship with any security interests granted by any of them for claims by other creditors against LBF, provided, however, the claims of Lehman Brothers Commodity Services Inc. and Lehman Commercial Paper Inc. shall be allowed in the schedule of claims as Third Party Claims of Third Party Affiliate Creditors in the amount of USD \$1,322,569.61 (CHF 1’443’320.22) and USD \$232,478.78 (CHF 253’704.09), respectively, and the claims of the LBHI Joinder Parties described in Section 2.3 below will be allowed as provided therein, also as Third Party Claims of Third Party Affiliate Creditors. In addition, (i) LBHI shall cause Aurora Bank to provide a waiver with respect to any potential extended lien consistent with the waiver of extended liens provided by the LBHI Joinder Parties in this Agreement, and (ii) upon written request by LBF, 314 Commonwealth Ave., Inc. shall withdraw from the appeal in the extended liens proceedings pending in the U.K., if right to appeal is either still pending or has been granted.

2.2.(b) *Settlement Interest Amount.* If LBF makes an Assignment Offer, no such assignment will be made to any Person who does not deposit the Settlement Interest Amount.

2.2.(c) *Subrogation Claim Pursuant to Plan §§ 8.13 and 8.14.* LBHI retains the right to be subrogated to the rights of any creditor of LBF to the extent that such creditor of LBF receives distributions from LBHI on account of a guarantee claim against LBHI that, combined with the distributions or other consideration provided in respect of the corresponding claim against LBF, exceeds the full amount of the claim of such creditor admitted in the Kollokationsplan. For the avoidance of doubt, the enforcement of any such subrogation claim of LBHI in the LBF Swiss Proceeding is subject to Art. 216 para. 3 SchKG, and LBHI will therefore only be subrogated to the right of any creditor of LBF in



the LBF Swiss Proceeding if the claim of such creditor admitted in the Kollokationsplan has been satisfied in full.

2.3. *LBHI Joinder Party Claims.* The claims of the LBHI Joinder Parties will be allowed in the schedule of claims in the amounts set forth in Exhibit "C."

2.4. *The Allowed LBF Claim.* In full and complete satisfaction and settlement of all of the LBF Claims, LBHI and the Plan Administrator will allow the LBF Allowed Claim. The LBF Allowed Claim will be finally allowed and entitled to receive distributions in accordance with the US Debtors' Plan; on the Effective Date, any cash held by LBHI due to distributions with respect to, or redemption of, the LBF Allowed Claim prior to the Effective Date shall be delivered to LBF. LBF agrees that all other LBF Claims shall be fully and finally disallowed and any LBF Reserve Amount related thereto shall be released.

2.5. *Resolution of Asset Ownership Disputes.*

2.5.(a) Save as provided in the following sentence, the LBHI Parties agree not to exercise (or cause the exercise of) liens or extended liens over assets of LBF, including liens or extended liens related to claims against LBF that the LBHI Parties own, have acquired or, in the future, acquire from Affiliates or any other Person. To the extent that any lien or extended lien granted by LBF is held to be enforceable and is either enforced by Affiliates of LBF other than the LBHI Parties or is mandatorily enforced in respect of LBF Affiliates, the LBHI Parties will, at LBF's option, exercise their rights in respect thereof in the full amount of the LBHI Reduced Claim and assign to LBF the value realized from the extended lien claims that they hold with respect to LBF assets, provided that such realization of value will not reduce the distributions otherwise payable with respect to the LBHI Reduced Claim.

2.5.(b) Save as provided in the following sentence, LBF agrees not to exercise (or cause the exercise of) liens or extended liens over assets of the LBHI Parties, including liens or extended liens related to claims against the LBHI Parties that LBF owns, has acquired or, in the future, acquires from Affiliates or any other Person. To the extent that any lien or extended lien granted by the LBHI Parties is held to be enforceable and is either enforced by Affiliates other than LBF or is mandatorily enforced in respect of Affiliates, LBF will, at the relevant LBHI Party's option, exercise its rights in respect thereof in the full amount of the relevant claims and assign to the relevant LBHI Party the value realized from the extended lien claims that it holds with respect to LBHI Party assets, provided that such realization of value will have no effect on recoveries with respect to the relevant claim.

2.6. *LBF Third Party Creditor Priority Distribution.* LBHI waives its rights to a *pro rata* distribution on account of the LBHI Reduced Claim in favour of Third Party Creditors in line with the following (*Vertrag zugunsten Dritter*). LBF will implement an agreed waterfall in LBF's liquidation which shall provide:

2.6.(a) A priority recovery on account of all allowed claims of Third Party Non-Affiliate Creditors of USD \$1.275 billion converted to Swiss Francs at the Exchange Rate, provided, however, that no such creditor shall receive a priority recovery of more than 50% of its claim allowed in the Kollokationsplan in its final and binding form (i.e., following the resolution of any objections against the Kollokationsplan) (the "Third Party Non-Affiliate Priority Amount");

2.6.(b) A priority, and *pari passu*, recovery on account of all allowed claims of Third Party Affiliate Creditors, as such claims are listed on the Kollokationsplan in its final and binding form (i.e., following the resolution of any objections against the Kollokationsplan), equal, on a percentage basis, to

the priority recovery, on a percentage basis, of Third Party Non-Affiliate Creditors (the "Third Party Affiliate Priority Amount"); and

2.6.(c) Thereafter, a *pro rata* distribution to all Third Party Creditors and LBHI as the holder of the LBHI Reduced Claim.

### 3. *Agreements Regarding Affiliate Claims.*

3.1. *Non-Assigned Affiliate Claims.* If and when requested by LBF, LBHI undertakes to assist LBF in the enforcement of the Retained Affiliate Claims. LBHI/LAMCO will assist LBF at its own expense and subject to that certain confidentiality agreement, dated July 23, 2012, by and among LBF, LAMCO and LBHI.

3.2. *Assigned Affiliate Claims.* Subject to the provisions of this Agreement, including without limitation the provisions of Section 3.2(h) below, LBF shall assign to LBHI the Assigned Affiliate Claims set forth on Exhibit A on the terms set forth herein:

3.2.(a) As of the Effective Date, LBF shall assign the Assigned Affiliate Claims, LBF will, in accordance with the laws applicable to the respective claim, assign to LBHI (or, at LBHI's option, to a direct, wholly owned subsidiary of LBHI or any other legal entity designated by LBHI) (i) an undivided interest in LBF's right, title, and interest in and to all of the accounts receivable from LBF Payors set forth on Exhibit A (the "LBF Accounts" and "LBF Payors," respectively) and, without duplication, (ii) an undivided interest in all of LBF's interest in and to the net claims held by LBF against the LBF Payors arising from the LBF Accounts (the "LBF Affiliate Claims" and, together with the LBF Accounts, the "Assigned Affiliate Claims"). The assignments will be executed no later than twenty (20) Business Days after the Execution Date and will be delivered to, and held in escrow by, counsel for LBF pending the occurrence of the Effective Date; if the Effective Date does not occur, such assignments shall be redelivered to LBF and cancelled.

3.2.(b) *Form of Assignment.* The Assigned Affiliate Claims shall be assigned by LBF to LBHI pursuant to that certain transfer and assignment document substantially in the form of Exhibit D attached hereto.

3.2.(c) *Limitations on Assignment of Assigned Affiliate Claims.* For the avoidance of doubt, proprietary claims, including claims of LBF based on securities issued or held by any of the Collapsed ITS 88 Account Positions are not part of or included in any Assigned Affiliate Claims. Residual ITS 88 Account Positions are part of and included in the Assigned Affiliate Claims (as agreed between LBF and the Affiliate entities).

3.2.(c)(i) "Collapsed ITS 88 Account Positions" means all securities positions (same ISIN but long and short in different entities) that were agreed between the involved entities to be withdrawn from their claims against each other.

3.2.(c)(ii) "Residual ITS 88 Account Positions" means all securities positions that were not agreed to be collapsed in the corresponding claims of the involved entities. These positions represent a correction to the intercompany account 1262 of the concerned entities (especially at LBSAL, LBACC, LBCCA).

3.2.(c)(iii) "ITS 88 Account Positions" means all those securities, entitlements, interests and claims LBF may have against other LBHI Parties arising out of LBF's securities dealings with those

entities where such dealings are reflected in the Affiliate's books in the ITS 088 Account positions. ITS is a sub ledger to the general ledger of LBF.

3.2.(d) *Access to Information.* LBF will give LBHI/LAMCO access to all information regarding the Assigned Affiliate Claims. LBHI confirms (i) that, as to any Assigned Affiliate Claims that is settled (even if the settlement has not yet become final and unconditional) prior to the execution of this Agreement, it will not require access to any additional information from LBF nor require any further support from LBF, and (ii) that, following the assignment of any specific Assigned Affiliate Claim to LBF, LBHI will not require any further support from LBF with respect to such Assigned Affiliate Claim other than access to the claims related information; provided, however, that LBF will only provide access to existing claims valuations if LBHI confirms, in writing, that it will not rely on such valuations or hold LBF or the LBF Liquidator liable for such valuations. The parties agree that, to the extent further LBF support is required, this additional cooperation by LBF will be subject to such further terms and conditions as may be mutually agreed in writing by LBF and LBHI.

3.2.(e) *Consent to Assignment.* To the extent required by applicable law, the Parties will use their best efforts to obtain the consent or acknowledgment of the LBF Assignment from the LBF Payors, provided however, that LBF, after consultation with LBHI, will determine the manner and nature of any communication with an LBF Payor with respect to seeking such consent or acknowledgment, and the receipt of such acknowledgment shall not be a requirement of this Agreement or a condition precedent to the Effective Date, provided that LBF shall not be required to take any step which, in the reasonable opinion of the LBF Liquidator, might be prejudicial to the interests of LBF or its creditors generally.

3.2.(f) *Representation and Warranties Regarding the Assigned Affiliate Claims.* In connection with the LBF Assignment, LBF will make the following limited representations and warranties, in each case subject to LBF's best knowledge (i) it has legal title to the Assigned Affiliate Claims, (ii) the Assigned Affiliate Claims are, subject to potential extended liens, free and clear of any third party rights, and (iii) LBF has not transferred or assigned any rights with respect to the Assigned Affiliate Claims to any other person, save by virtue of potential extended liens. Except as specifically provided in the foregoing sentence, LBF will make no other representation or warranties whatsoever in connection with the LBF Assignment, including but not limited to representations or warranties regarding the amount, validity, allowance, timeliness, enforceability or collectability, of the Assigned Affiliate Claims. Any liability based on Article 171 of the Swiss Code of Obligations shall be explicitly excluded. LBHI will have no termination right should LBF breach any representation or warranty.

3.2.(g) *Turnover of Proceeds.* Subject to Section 3.2(h), to the extent LBF has collected proceeds from any Assigned Affiliate Claim prior to its assignment as provided herein, LBF will be required to turn over the proceeds of collection, *i.e.*, the net proceeds (under these circumstances, the "Net Proceeds"), on the later of the date of the assignment of such Assigned Affiliate Claim and seven (7) business days after receipt of such Net Proceeds. "Net Proceeds" means all amounts distributed and actually received by LBF from the relevant LBF Payor (without deduction of any expenses on account of collection, administration, or professionals' fees), less any direct setoff amounts from the counterparty, if any.

3.2.(h) *Indemnity.* Upon the assignment of the Assigned Affiliate Claims, LBHI hereby agrees to reimburse, save, defend, indemnify and hold harmless LBF and the LBF Liquidator, together with their respective employees, agents, representatives, successors and assigns (the "Indemnified Parties") from and against any and all losses, damages, liabilities, deficiencies, claims, interest, awards, judgments, penalties, costs and expenses asserted against, incurred, sustained or suffered by any of the Indemnified Parties as a result of, arising out of or relating to the claims of the various Lehman Brothers Hong Kong entities, or Reimbursable Expenses (the "*Indemnified Claims*"), except with respect to the

carve-outs related to the Lehman Hong Kong entities listed on Exhibit A, and provided that LBHI shall have the right to defend against such Indemnified Claims subject to customary protections in favour of the Indemnified Parties. The maximum amount of Indemnified Claims shall be an amount equal to the greater of (i) USD \$125 million or (ii) the amount, not to exceed USD \$250 million, that LBF would have to pay the Lehman Brothers Hong Kong entities on account of any allowed claims against LBF (the “**Maximum Indemnity Liability**”). “Reimbursable Expenses” means expenses incurred by LBF from and after the Effective Date in connection with resolution of Assigned Affiliate Claims; the categories of expenses for which reimbursement will be sought include (a) documented out of pocket third party expenses, including professional fees and consulting costs, (b) actual travel costs, (c) administrative and logistics costs, and (d) LBF Liquidator and LBF timekeeper costs, calculated on a per hour basis based on time sheets and then applicable rates provided however that no Reimbursable Expenses shall be payable unless LBHI requests in writing LBF’s assistance with respect to any particular action relating to an Assigned Affiliate Claims. As collateral for the indemnity obligation set forth in this Section, LBHI hereby grants LBF a security interest in, and LBF shall be entitled to retain as collateral, and not transfer or assign to LBHI on the Effective Date, proceeds of Assigned Affiliate Claims received or held by LBF up to USD \$125 million (the “**Proceeds Collateral**”); to the extent that the Proceeds Collateral, as of the Effective Date is less than \$125 million, LBHI shall, on the Effective Date, transfer to LBF as collateral an amount of funds equal to the difference between USD \$125 million and the Proceeds Collateral (the “**Additional LBHI Collateral Deposit**” and, together with the Proceeds Collateral, the “**Initial Indemnity Collateral**”). In addition to the Initial Indemnity Collateral, LBHI also hereby grants LBF a security interest in, and LBF shall be entitled to withhold, further distributions on the LBHI Reduced Claim in an amount equal to the difference between the Maximum Indemnity Liability and Initial Indemnity Collateral (the “**Subsequent LBHI Collateral**” and, together with the Indemnity Collateral, the “**Indemnity Collateral**”). The Indemnity Collateral will be available to satisfy LBHI’s indemnity obligations set forth in this Section. The indemnity pursuant to this Section shall be released, and any portion of the Indemnity Collateral not required to satisfy such indemnity shall be returned to LBHI, upon the later of (i) the receipt by LBF of releases from the various Lehman Brothers Hong Kong entities, in form and substance reasonably satisfactory to LBF, and (ii) the approval of any settlement between LBF and the various Lehman Brothers Hong Kong entities by the Hong Kong Court. Interest, if any, earned by LBF on any portion of the Indemnity Collateral returned to LBHI, as provided above, shall be paid to LBHI at the time of such return; notwithstanding the foregoing, LBF shall be under no obligation to deposit the Indemnity Collateral in an interest bearing account.

#### 4. **Other Agreements**

4.1. **Non-Objection to Kollokationsplan.** The LBHI Parties agree that they will not object to the amounts published with respect to any other creditor admitted to the Kollokationsplan (Art. 250 para. 2 of the Swiss Federal Law on Debt Enforcement and Bankruptcy) (*Vertrag zugunsten Dritter*). Should the Effective Date occur following the publication of the Kollokationsplan and should any of the LBHI Parties have objected to any amounts published with respect to any other creditor admitted to the Kollokationsplan, such objection shall unconditionally and irrevocably be withdrawn without undue delay upon the occurrence of the Effective Date; provided, however, that to the extent any creditor other than an LBHI Party is objecting to the LBHI Reduced Claim or does not waive any party compensation (*Parteientschädigung*), the US Debtors can maintain any such objection.

4.2. **Rights of LBHI Parties With Respect to Certain Settlements.** The LBHI Parties agree that they will neither object to, nor otherwise challenge, any settlement agreements (whether then effective or not) between LBF and Affiliates of LBF that are entered into prior to the satisfaction of the Creditors’ Committee Approval Condition and entry of the Rule 9019 Order, provided that LBF (i) will consult with LBHI with respect to any settlement, and (ii) will not take any action which would materially impair, compromise or otherwise diminish (x) the value of the Assigned Affiliate Claims (or the proceeds

thereof) to LBHI or (y) LBHI's ability to collect on the Assigned Affiliate Claims (or the proceeds thereof). Subsequent to satisfaction of the Conditions Precedent related to Creditors' Committee approval and entry of the Rule 9019 Order, (a) LBF will not settle any Assigned Affiliate Claims absent LBHI's consent, which approval shall not be unreasonably withheld, and (b) LBF will not take any action which would materially impair, compromise or otherwise diminish (x) LBF's ability to assign the Assigned Affiliate Claims to LBHI or (y) the amount or value of the Assigned Affiliate Claims.

4.3. *Post-Assignment Net Settlements.* Subsequent to assignment of the Assigned Affiliate Claims, LBHI agrees that any settlements that it reaches with Affiliates relative to such Assigned Affiliate Claims will be undertaken on a net basis as to eliminate any potential claims against LBF and will include an extended liens waiver in favour of LBF in form and substance reasonably satisfactory to LBF.

4.4. *No Effect on Certain Claims.* For the avoidance of doubt, any general unsecured and unprivileged claim held by any of the LBHI Parties or LBF, which claim has been purchased from another creditor and is therefore held by any of the LBHI Parties or LBF as assignee of another creditor, shall not be covered by this Agreement, and each party reserves its rights with respect thereto. Notwithstanding the foregoing, the provisions above related to Resolution of Asset Ownership Disputes shall apply to any claims acquired from another creditor that is an Affiliate of LBHI. Each of the LBHI Parties and LBF waive any (potential) recourse or other claims against each other that might have arisen or might arise in relation with any security interests (including cross Affiliate set off rights) granted by one party for claims by other creditors against the other party.

4.5. *Cooperation Regarding Derivatives Valuation and Reconciliation Services.* The parties agree that they will cooperate in such a way that enables LBHI to provide its derivatives valuation and reconciliation services to LBF in the most effective manner and at no cost to LBF, subject to the existing confidentiality agreement among the parties and provided that such exchange of information does not, in the opinion of the LBF Liquidator result in the breach of any duties of confidentiality by LBF, a conflict of interest for LBF or LBF acting in a way which is contrary to its creditors' interests generally. An integral aspect of this cooperation will be that the parties exchange all information that is relevant to the valuation and reconciliation of LBF's derivatives contracts that are covered by a guarantee of LBHI. LBHI in turn will provide LBF with a current list of creditors that have filed claims against LBHI under a guarantee issued by LBHI with respect to claims against LBF, including LBHI's valuations and settlements (if any) in respect thereof and LBF will provide LBHI with all relevant information relating to its derivatives portfolio to the extent that the respective creditors are included in LBHI's list of filed claims against LBHI under a guarantee issued by LBHI and LBHI does not intend to reject the relevant claim for alleged lack of a valid guarantee. LBHI will not be entitled to participate in the negotiations with the third parties unless requested to do so by LBF. No party will be required to comply with the assessment of the other party. LBHI will not charge anything to LBF for the cooperation. Similarly, LBF will not charge anything to LBHI for the cooperation. For the purposes of this paragraph, LBHI shall include LAMCO, its fully owned service company.

4.6. *Resolution of Potential LBEF Claims against LBF on Account of the LBEF Warrants.* LBHI shall use best efforts to cause LBEF to provide the waiver pursuant to Section 5.2(e).

4.7. *Granite Finance Cooperation.* Subject to existing contractual and legal obligations, Lehman Brothers Special Financing, Inc. shall, at no cost to LBF, cooperate with, and support, LBF regarding the defense of any claim which may be made against LBF by Granite Finance Limited and/or Lehman Brothers International (Europe) relating to certain assets of LBF which were purportedly provided as collateral for certain obligations of Lehman Brothers Special Financing, Inc., in relation to the series 2006-5 secured convertible notes linked to the Lehman Brothers Euro Aggregate 1-7 Year Mirror Swap Index due 2011 issued by Granite Finance Limited on or about February 9, 2006 pursuant to its US\$

5,000,000,000 Programme for the issue of Limited Recourse Obligations. Such cooperation and support shall include the provision of documents, information and other evidence as to the underlying transaction upon request from LBF.

**5. *Implementation and Conditions Precedent.***

5.1. *Implementation.* The Parties shall, in good faith, seek to implement the Agreement by taking all necessary steps to satisfy the Conditions Precedent to the Effective Date including, but not limited to, as soon as practicable after the Execution Date, LBHI and LBF will file motions in the Chapter 11 Cases and the LBF Chapter 15 Proceeding seeking entry of the Rule 9019 Order and LBF will submit this Agreement for approval of the Creditors' Committee and, within ten (10) Business Days after the later of (i) the Rule 9019 Order and (ii) satisfaction of the Creditors' Committee Approval Condition, publish the realization plan with regard to this Agreement and the Assignment Offer;

5.2. *Conditions Precedent.* The following shall each be conditions precedent (the "Conditions Precedent") to the Effective Date:

5.2.(a) The Creditors' Committee shall either have passed a resolution approving LBF's entry into a settlement with LBHI substantially in accordance with the terms and conditions of this Agreement or the Creditor's Committee shall not have otherwise resolved to reject the Agreement (the "Creditors' Committee Approval Condition").

5.2.(b) The LBF Liquidator shall have published the realization plan with regard to this Agreement;

5.2.(c) The Rule 9019 Order (in both the Chapter 11 Cases and the LBF Chapter 15 Proceeding) shall have been entered by the Bankruptcy Court;

5.2.(d) Upon publication of the realization plan with regard to this Agreement, either no creditor of LBF shall, in due time (i.e. the time period specified by the LBF Liquidator upon publication of the realization plan) and form, have requested an order from FINMA, or if such an order is requested in due time and form, (1) FINMA issues a final and enforceable order that does not disapprove in substance the Agreement, or its execution by the LBF Liquidator (the "FINMA Settlement Order") and the FINMA Settlement Order is not substantially altered, or modified by FINMA itself (*Wiedererwägung*) prior to the Effective Date, or (2) a competent Swiss court issues a Swiss Court Order that does not declare invalid, or set aside in total or in part the FINMA Settlement Order and that thereby does not disapprove in substance the Agreement, or its execution by the LBF Liquidator;

5.2.(e) LBF receives (i) a valid and binding written waiver, in form and substance satisfactory to LBF, by Lehman Brothers Equity Finance S.A. (en faillite) (LBEF) pursuant to which LBEF waives any and all claims against LBF on account of the LBEF warrants and (ii) a valid and binding waiver of extended liens, in form and substance satisfactory to LBF, from Aurora Bank consistent with the waiver of extended liens provided by the LBHI Joinder Parties in this Agreement;

5.2.(f) Upon publication of the Assignment Offer, no creditor of LBF shall have requested either the assignment of the right to pursue or the right to object a claim pursuant to the Assignment Offer within the period determined by the LBF Liquidator and in the prescribed form for filing such a request including the deposit of the Settlement Interest Amount; and

5.2.(g) LBF shall have received the Indemnity Collateral.

5.3. Kollokationsplan.

5.3.(a) LBF agrees to publish the Kollokationsplan as soon as practicable. The Parties acknowledge and agree that LBF shall not include a decision on the US Debtor claims in its Kollokationsplan during the period between the execution of this Agreement and the Effective Date (suspension/ *Aussetzung*).

5.3.(b) Distributions relative to the Kollokationsplan shall be implemented as follows:

5.3.(b)(i) Cash to Third Party Non-Affiliate Creditors up to the Third Party Non-Affiliate Priority Amount and cash to Third Party Affiliate Creditors up to the Third Party Affiliate Priority Amount; and, thereafter,

5.3.(b)(ii) A *pro rata* distribution of Cash to Third Party Non-Affiliate Creditors, Third Party Affiliate Creditors, and LBHI on account of the LBHI Reduced Claim.

6. ***LBF Representations, Warranties and Covenants.*** In order to induce the LBHI Parties to enter into and perform their obligations under this Agreement, LBF hereby represents, warrants, acknowledges and covenants as follows:

6.1. *Authority.* Through its duly appointed liquidator, the LBF Liquidator, and subject to the occurrence of the Effective Date, LBF has the power and authority to execute, deliver and perform its obligations under this Agreement, and to consummate the transactions contemplated herein; and (ii) the execution, delivery and performance of this Agreement by LBF and the consummation of the transactions contemplated herein have been duly authorized by all necessary action on the part of LBF and no other proceedings on the part of LBF is necessary to authorize and approve this Agreement or any of the transactions contemplated herein.

6.2. *LBF Creditors' Committee Approval/Rule 9019 Order.* As soon as practicable after execution of this Agreement, LBF, acting through the LBF Liquidator, shall submit the Agreement for approval by the Creditors' Committee and seek entry of the Rule 9019 Order in the LBF Chapter 15 Proceeding.

6.3. *Validity.* Through its duly appointed liquidator, the LBF Liquidator, and subject to the occurrence of the Effective Date, this Agreement has been duly executed and delivered by LBF and constitutes the legal, valid and binding agreement of LBF, enforceable against LBF in accordance with its terms.

6.4. *Authorization of Governmental Authorities and Creditors.* Subject to the occurrence of the Effective Date, no action by (including any authorization, consent or approval), in respect of, or filing with, any governmental authority is required for, or in connection with, the valid and lawful authorization, execution, delivery and performance by LBF and/or the LBF Liquidator, pursuant to this Agreement, other than as provided herein.

6.5. *No Reliance.* LBF acting through the LBF Liquidator (i) is a sophisticated party with respect to the subject matter of this Settlement Agreement, (ii) has been represented and advised by legal counsel in connection with this Settlement Agreement, (iii) has adequate information concerning the matters that are the subject of this Settlement Agreement, (iv) acknowledges that it has entered into this Settlement Agreement voluntarily and of its own choice and not under coercion or duress; and (v) has independently and without reliance upon the LBHI Parties or any of their officers, employees, agents, counsels or other

representatives thereof, and based on such information as the LBF Liquidator and LBF has deemed appropriate, made its own analysis and decision to enter into this Settlement Agreement, provided, that each of the LBF Liquidators and LBF has relied upon the express representations, warranties and covenants of the LBHI Parties in this Settlement Agreement.

6.6. *Title; No Prior Transfer of Claims.*

6.6.(a) As of the Execution Date, subject to competing claims and any set-off rights, liens or extended liens in favour of an Affiliate or any sub-custodian and/or clearing system through which the LBF Allowed Claims may be held, LBF owns and has good title to its respective LBF Allowed Claims, free and clear of any and all liens, security interests, participations or encumbrances created or incurred by or against LBF and has not transferred or assigned to any other person any of the LBF Allowed Claims that are the subject of this Settlement Agreement, in whole or in part.

6.6.(b) After the Effective Date, LBF may transfer any LBF Allowed Claim, or any rights or interests arising thereunder, in whole or in part, to one or more transferees; provided, that any transferee of such LBF Allowed Claims agrees in writing that the terms of this Settlement Agreement shall be binding in all respects upon, and shall govern its acts and those of any successor transferees. This subsection shall constitute consent by the LBHI Parties to any transfer or assignment of the LBF Allowed Claims, in whole or in part that complies with this subsection.

6.7. *Tolling Agreement.* LBF shall not terminate the Tolling Agreement while this Agreement remains in force and effect.

6.8. *LBF Reserves.* Prior to the Effective Date, pursuant to Applicable Swiss Law, the LBF Liquidator may not make any distributions to Third Party Creditors unless the LBF Liquidator retains sufficient funds, as determined by the LBF Liquidator, to reserve for any and all dividends payable to the LBHI Parties on the full amount of the LBHI Reduced Claims and LBHI Joinder Party Claims.

7. *LBHI Parties' Representations, Warranties and Covenants.* In order to induce LBF to enter into and perform its obligations under this Agreement, each LBHI Party hereby represents, warrants, acknowledges and covenants as follows:

7.1. *Authority.* Subject to the occurrence of the Effective Date, (i) each LBHI Party has the power and authority to execute, deliver and perform its obligations under this Agreement, and to consummate the transactions contemplated herein and (ii) the execution, delivery and performance by such LBHI Party of this Agreement and the consummation of the transactions contemplated herein have been duly authorized by all necessary action on the part of such LBHI Party and no other proceedings on the part of such LBHI Party are necessary to authorize and approve this Agreement or any of the transactions contemplated herein. No LBHI Joinder Party is or has ever been a debtor under chapter 11 of the Bankruptcy Code.

7.2. *Validity.* This Agreement has been duly executed and delivered by each LBHI Party and constitutes the legal, valid and binding agreement of each LBHI Party, enforceable against each LBHI Party in accordance with its terms.

7.3. *Rule 9019 Order.* As soon as practicable after execution of this Agreement, the US Debtors shall seek entry of the Rule 9019 Order in the Chapter 11 Cases.

7.4. *Authorization of Governmental Authorities.* No action by (including any authorization, consent or approval), in respect of, or filing with, any governmental authority is required for, or in



connection with, the valid and lawful authorization, execution, delivery and performance by each US Debtor and US Non-Debtor.

7.5. *No Reliance.* Each LBHI Party (i) is a sophisticated party with respect to the matters that are the subject of this Agreement, (ii) has had the opportunity to be represented and advised by legal counsel in connection with this Agreement, (iii) has adequate information concerning the matters that are the subject of this Agreement, and (iv) has independently and without reliance upon LBF and based on such information as such LBHI Party has deemed appropriate, made its own analysis and decision to enter into this Agreement, except that such LBHI Party has relied upon LBF's express representations, warranties and covenants in this Agreement, which it enters, or as to which it acknowledges and agrees, voluntarily and of its own choice and not under coercion or duress.

7.6. *Title; No Transfer of Claims.*

7.6.(a) As of the Execution Date, subject to competing claims and any set-off rights, liens or extended liens in favour of an Affiliate, each LBHI Party owns and has good title to its respective Claims, free and clear of any and all liens, security interests, participations or encumbrances created or incurred by or against such LBHI Party, and has not transferred or assigned to any other person any of the claims that are the subject of this Agreement, in whole or in part.

7.6.(b) After the Effective Date, each LBHI Party may transfer any of its Claims, or any rights or interests arising thereunder, in whole or in part; provided, however, that any transferee of such Claims agrees in writing that the terms of this Agreement shall be binding in all respects upon, and shall govern its acts and those of any successor transferees.

7.7. *Reserve Amount.* Pending the Effective Date, and without prejudice to the right of LBF to seek the allowance of claims in excess of the following reserve amounts, the US Debtors, consistent with the US Debtors' Plan and the Bankruptcy Court order entered with respect to a reserve for the LBF claim, will maintain a reserve in favour of LBF (a) for a \$3 billion LBF claim against LBHI and (b) for an LBF claim against Lehman Brothers Special Financing Inc. ("LBSF") in the full amount indicated in the LBF claim filed against LBSF.

7.8. *Tolling Agreement.* The US Debtors shall not terminate the Tolling Agreement while this Agreement remains in force and effect.

8. *Surviving Contracts.* The contracts and any non-binding agreements listed in Exhibit E attached hereto shall continue after the Effective Date. All other pre-petition contracts between the US Debtors [and LBHI Joinder Parties] and LBF that are not included on Exhibit D shall be cancelled and terminated effective as of the Effective Date, and any claims arising therefrom shall be satisfied in full by the consideration provided pursuant to this Agreement.

9. *Cooperation.* The Parties will continue to exchange data relating to the respective bankruptcy cases and insolvency proceedings pursuant to and subject to the terms of the Lehman Global Protocol in order to assist each other in resolving claims of Affiliates and other creditors provided that such exchange of information does not, in the opinion of the LBF Liquidator, result in the breach of any duties of confidentiality by LBF, give rise to a conflict of interest for LBF or result in LBF acting in a way which is contrary to its creditors' interests generally.

10. ***Releases.***

10.1. *LBHI Parties' Release of LBF.* Upon the occurrence of the Effective Date, the LBHI Releasing Parties shall release the LBHI Released Parties from all LBHI Party Released Claims. Such release shall occur automatically under the provisions of this Agreement without the need for the execution of a separate release.

10.2. *LBF Release of the LBHI Parties.* Upon the occurrence of the Effective Date, the LBF Releasing Parties shall release the LBF Released Parties from all LBF Released Claims. Such release shall occur automatically under the provisions of this Agreement without the need for the execution of a separate release.

10.3. *No Release of Non-Party Claims.* Nothing in this Agreement shall operate as a release or waiver of a Non-Party Claim.

11. ***Termination.***

11.1. *Automatic Termination.* This Agreement shall automatically terminate if the Bankruptcy Court refuses to enter the Rule 9019 Order with respect to any US Debtor or LBF or a creditor of LBF requests the assignment of the right to pursue or the right to object to claims offered pursuant to the LBF Assignment Offer in due time and form and provides a deposit of the Settlement Interest Amount as determined by the LBF Liquidator.

11.2. *The Parties' Right to Terminate.* LBF, on the one hand, or the LBHI Parties, acting collectively on the other hand and as represented by LBHI, shall each have the right at their election to terminate this Agreement by notice in writing to the other Party with immediate effect, prior to the Effective Date, upon the occurrence of any of the following events:

11.2.(a) The Creditors' Committee Approval Condition is not satisfied within 50 days of the date of this Agreement; or

11.2.(b) FINMA issues an order, whether final or not, substantially disapproving the terms of this Agreement, or its execution by the Liquidator prior to the Effective Date; or

11.2.(c) A competent Swiss court issues a Swiss Court Order that declares invalid, or sets aside in total or in part the FINMA Settlement Order and thereby substantially disapproves the terms of this Agreement, or its execution by the LBF Liquidator,

11.3. If the Rule 9019 Order with respect to any of the Chapter 11 cases or LBF's Chapter 15 case has not been entered within 60 days of the execution of the Agreement or such date no more than 30 days later as LBF and LBHI may mutually agree, LBF, on the one hand, or the LBHI Parties, acting collectively on the other hand and as represented by LBHI, may terminate this Agreement on twenty (20) days' prior notice to the other Party.

11.4. If any of the conditions precedent in Section 5.2 (a) to (g) are not satisfied on or before September 30, 2013 or such later date as LBF and LBHI mutually agree in writing, LBF, on the one hand, or the LBHI Parties, acting collectively on the other hand and as represented by LBHI, may terminate this Agreement on twenty (20) days' prior notice to the other Party.

11.5. *The LBHI Parties' Right to Terminate.* The LBHI Parties, acting collectively and as represented by LBHI, shall have the right, at their election, to terminate this Agreement by written notice to LBF if, prior to the Effective Date:

11.5.(a) There is a breach, in any material respect, of the representations, warranties and/or covenants of LBF hereunder, taken as a whole, and LBF shall fail to cure such breach within ten (10) days following written notice of such breach from the LBHI Parties as represented by LBHI; or

11.5.(b) LBF does not seek approval of this Agreement by the Creditors Committee, or file a motion seeking entry of the Rule 9019 Order in the LBF Chapter 15 Proceeding, within 20 days of the Execution Date or such date no more than thirty days later as LBF and LBHI mutually agree; or

11.5.(c) LBF terminates the Tolling Agreement.

11.6. *LBF's Right to Terminate.* LBF shall have the right, at its election, to terminate this Agreement by written notice to the LBHI Parties if:

11.6.(a) There is a breach, in any material respect, of the representations, warranties and/or covenants of the LBHI Parties hereunder, taken as a whole, and the LBHI Parties shall fail to cure such breach within ten (10) days following written notice of such breach from LBF; or

11.6.(b) The US Debtors do not file a motion seeking entry of the Rule 9019 Order in the Chapter 11 Cases within 20 days of the Execution Date or such date no more than thirty days later as LBF and LBHI mutually agree; or

11.6.(c) The US Debtors terminate the Tolling Agreement.

11.7. *Effect of Termination.* In the event that this Agreement is terminated in accordance with its terms by either the US Debtors or LBF or automatically, then, except as provided in the final sentence of this paragraph, neither this Agreement, nor any motion or other pleading filed in the Bankruptcy Court with respect to the approval of this Agreement shall have any *res judicata* or collateral estoppel effect or be of any force or effect, each of the Parties' respective interests, rights, remedies and defenses shall be restored without prejudice as if this Agreement had never been executed (except as to this Section) and the Parties hereto shall be automatically relieved of any further obligations hereunder. Except as expressly provided herein, this Agreement and all communications and negotiations among the Parties with respect hereto or any of the transactions contemplated hereunder are without waiver of or prejudice to the Parties rights and remedies and the Parties hereby reserve all claims, defenses and positions that they may have with respect to each other. Notwithstanding the foregoing, the following Sections shall survive the termination of this Agreement under this Section 11: Section 12 (Venue and Choice of Law); and Section 22 (No Personal Liability).

## 12. *Venue and Choice of Law.*

12.1. *Venue.* To the maximum extent permissible by law, the Parties expressly consent and submit to the exclusive jurisdiction of the courts of Zurich 1, Switzerland, over any actions or proceedings relating to the enforcement or interpretation of this Agreement and any Party bringing such action or proceeding shall bring such action or proceeding in the Swiss courts; provided that, any actions or proceedings arising out of disputes relating to the Rule 9019 Order or the allowance in the Chapter 11 Cases of LBF's claims against the US Debtors shall be brought in the Bankruptcy Court. Each of the Parties agrees that a final judgment in any such action or proceeding, including all appeals, shall be conclusive and may be enforced in other jurisdictions (including any foreign jurisdictions) by suit on the

judgment or in any other manner provided by applicable law. Each Party hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, (i) any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding in the court in the applicable jurisdiction set forth above and (ii) the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court. Each Party irrevocably consents to service of process in the manner provided for notices in Section 13 hereof. Nothing in this Agreement will affect the right, or requirement, of any Party to this Agreement to serve process in any other manner permitted or required by applicable law.

12.2. *Choice of Law.* This Agreement and all claims and disputes arising out of or in connection with this Agreement, shall be governed by and construed in accordance with the laws of Switzerland, without regard to conflict of laws principles to the extent such principles would apply a law other than that of Switzerland; provided, however, that any claims and disputes arising out of the allowance in the Chapter 11 Cases of LBF's claims against the US Debtors shall be governed by and construed in accordance with applicable U.S. bankruptcy law, except as otherwise provided in the underlying agreements.

13. *Notices.* All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given: (a) upon personal delivery to the party to be notified, (b) when sent by confirmed electronic mail or facsimile if sent during normal business hours of the recipient, and if not so confirmed, then on the next Business Day, (c) three days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one Business Day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent:

To the LBHI Parties at:

1271 Avenue of the Americas, 39th Floor  
New York, New York 10020  
U.S.A.  
Attn: John Suckow and Daniel J. Ehrmann  
Facsimile: (646) 834-0874  
Email: [jsuckow@alvarezandmarsal.com](mailto:jsuckow@alvarezandmarsal.com)  
[dehrmann@alvarezandmarsal.com](mailto:dehrmann@alvarezandmarsal.com)

With a copy (which shall not constitute notice) to:

Weil, Gotshal & Manges LLP  
767 Fifth Avenue  
New York, New York 10153  
U.S.A.  
Attn: Alfredo Perez, Esq.  
Facsimile: (212) 310-8007  
Email: [alfredo.perez@weil.com](mailto:alfredo.perez@weil.com)

To LBF at:

Lehman Brothers Finance AG in Liquidation  
Stampfenbachstrasse 48  
8021 Zurich  
Switzerland  
Attn: Christiana Suhr Brunner and Pascal Portmann  
Facsimile: ++ 41 44 287 88 62  
Email: [Christiana.suhr.brunner@ch.pwc.com](mailto:Christiana.suhr.brunner@ch.pwc.com)  
[Pascal.portmann@ch.pwc.com](mailto:Pascal.portmann@ch.pwc.com)

With a copy (which shall not constitute notice) to:

Gibson, Dunn & Crutcher LLP  
200 Park Avenue  
47<sup>th</sup> Floor  
New York, New York 10022  
U.S.A.  
Attn: Michael A. Rosenthal, Esq.  
Facsimile: (212) 351-6258  
Email: [mrosenthal@gibsondunn.com](mailto:mrosenthal@gibsondunn.com)

or to such other address as may have been furnished by a Party to each of the other Parties by notice given in accordance with the requirements set forth above.

14. **Expenses.** Except as provided in Section 3.2(h), the fees and expenses incurred by each Party (including the fees of any attorneys, accountants, investment bankers, financial advisors or any other professionals engaged by such Party) in connection with this Agreement and the transactions contemplated hereby, whether or not the transactions contemplated hereby are consummated, shall be paid by such Party.

15. **No Admission of Liability.** Each Party acknowledges that this Agreement effects a settlement of potential claims and counterclaims some or all of which are denied and contested, and that nothing contained herein shall be construed as an admission of liability or wrongdoing.

16. **Entire Agreement.** This Agreement constitutes the entire and only agreement of the Parties concerning the subject matter hereof. This Agreement supersedes and replaces any and all prior or contemporaneous verbal or written agreements between the Parties concerning the subject matter hereof. The Parties acknowledge that this Agreement is not being executed in reliance on any verbal or written agreement, promise or representation not contained herein.

17. **No Oral Modifications.** This Agreement may not be modified or amended orally. This Agreement may only be modified or amended in writing signed by a duly authorized representative of each Party hereto. Any waiver of compliance with any term or provision of this Agreement on the part of the LBHI Parties must be provided in writing signed by LBF and the LBF Liquidator. Any waiver of compliance with any term or provision of this Agreement on the part of LBF or PwC, as Liquidator, must be provided in writing signed by each LBHI Party. No waiver of any breach of any term or provision of this Agreement shall be construed as a waiver of any subsequent breach.

18. **Construction.** This Agreement constitutes a fully negotiated agreement among commercially sophisticated parties and therefore shall not be construed or interpreted for or against any Party, and any rule or maxim of construction to such effect shall not apply to this Agreement.

19. **Binding Effect; Successor and Assigns.** Any declaration or statement of PwC (Zurich), as LBF Liquidator, shall only be made in its capacity and function as Liquidator of LBF, and shall in no circumstance be construed as being a declaration or statement of PwC (Zurich) on its own and personal behalf. This Agreement shall inure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns; provided, however, that no Party may assign its rights or obligations under this Agreement without the written consent of the other Party, which consent shall not be unreasonably withheld or delayed, and any assignment not in accordance with the terms hereof shall be null and void *ab initio*.

20. **Counterparts.** This Agreement may be executed in counterparts, each of which constitutes an original, and all of which, collectively, constitute only one agreement. The signatures of all of the Parties need not appear on the same counterpart.

21. **Headings; Schedules and Exhibits.** The headings utilized in this Agreement are designed for the sole purpose of facilitating ready reference to the subject matter of this Agreement. Said headings shall be disregarded when resolving any dispute concerning the meaning or interpretation of any language contained in this Agreement. References to Sections, unless otherwise indicated, are references to Sections of this Agreement. All Schedules and Exhibits to this Agreement are hereby made a part hereof and incorporated herein by reference for all purposes. Reference to any Schedule or Exhibit herein shall be to the Schedules and Exhibits attached hereto.

22. **No Personal Liability.** The Parties (and solely for the purposes of this Section 22, including the LBF Liquidator also acting on its own and personal behalf) accept and agree that this Agreement and all actions and measures contained herein do not give rise to any personal liability on the part of the LBF Liquidator, its partners and employees, and their representatives or other professional advisors, and to the extent any such personal liability existed, the Parties explicitly waive any and all potential rights and claims against them, their firm and its partners and employees, and their representatives and other professional advisors. LBF further accepts and agrees that this Agreement and all transactions and measures contained herein do not give rise to any personal liability on the part of any of the officers, directors, employees, members, consultants, asset managers, representatives or professional advisors of any LBHI Party and to the extent any such personal liability existed, LBF explicitly waives any and all potential rights and claims against all of the aforementioned persons. Any claim by a Party against LBF or the LBF Liquidator, arising under or relating to this Agreement shall only be satisfied out of the assets of the insolvency estate of LBF. Any claim by a Party against any LBHI Party arising under or relating to this Agreement shall only be satisfied out of the assets of such LBHI Party.

23. **Severability and Construction.** If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced, all other terms and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic and legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to the Parties. Upon any determination that any term or other provision is invalid, illegal, or incapable of being enforced, each Party hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of this Agreement as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

24. **Tax Agreements.** The Parties agree that they will cooperate and take reasonable steps to (i) complete any procedural formalities and obtain the necessary authorizations to make distributions without

any deduction or withholding for or on account of a Tax, (ii) mitigate any required withholding for or on account of Tax as is permissible, (iii) provide each Party with reasonable notice of an intention to withhold for or on account of Tax on any distribution and (iv) assist the recipient of a distribution in reclaiming the amount withheld or deducted from the tax authority. The Parties also agree that any distributions on account of the LBF Allowed Claim, LBHI Reduced Claim, the Claims listed in Section 2.2(a) and Exhibit C shall be allocated for all purposes, including but not limited to US federal income tax and Swiss tax purposes, first to the principal portion any such Claim, and, only after the principal portion any of such Claim is satisfied in full, to any portion of such Claim comprising interest (but solely to the extent that interest is an allowable portion of such claims and receivables). The Parties shall cooperate with respect to all reasonable information requests from a Party relating to the Party's preparation and filing of tax returns or other tax filings and withholding determinations, and any tax proceedings. Nothing in this Section shall (i) require any Party to take any step that in its reasonable opinion would have material adverse consequences for it, (ii) affect any of the Party's substantive rights or benefits under this Agreement, or (iii) in any way obligate any Party for any Tax owed by another Party. Any expenses or costs, including (a) documented out of pocket third party expenses, including professional fees and consulting costs, (b) actual travel costs, (c) administrative and logistics costs, and (d) LBF Liquidator and LBF timekeeper costs, calculated on a per hour basis based on time sheets and then applicable rates, incurred by LBF or the LBF Liquidator to comply with the provisions of this Section shall be fully reimbursed by LBHI, and LBF shall be entitled to withhold from the amount of any distribution to LBHI any expenses or costs reimbursable hereunder.

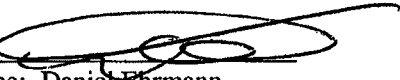
**25. Waiver of Jury Trial.** EACH OF THE PARTIES HERETO HEREBY AGREES NOT TO ELECT A TRIAL BY JURY OF ANY ISSUE TRIABLE OF RIGHT BY JURY, AND HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY, UNCONDITIONALLY AND IRREVOCABLY WAIVES ANY RIGHT TO TRIAL BY JURY FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST WITH REGARD TO THIS AGREEMENT OR ANY CLAIM, COUNTERCLAIM OR OTHER ACTION ARISING IN CONNECTION THEREWITH OR IN RESPECT OF ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENT (WHETHER VERBAL OR WRITTEN) OR ACTION OF ANY PARTY OR ARISING OUT OF ANY EXERCISE BY ANY PARTY OF ITS RESPECTIVE RIGHTS UNDER THIS AGREEMENT OR IN ANY WAY RELATING TO THE TRANSACTIONS CONTEMPLATED HEREBY (INCLUDING, WITHOUT LIMITATION, WITH RESPECT TO ANY ACTION TO RESCIND OR CANCEL THIS AGREEMENT AND WITH RESPECT TO ANY CLAIM OR DEFENSE ASSERTING THAT THIS AGREEMENT WAS FRAUDULENTLY INDUCED OR IS OTHERWISE VOID OR VOIDABLE). THIS WAIVER OF RIGHT TO TRIAL BY JURY IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A TRIAL BY JURY WOULD OTHERWISE ACCRUE. EACH OF THE PARTIES HERETO IS HEREBY AUTHORIZED TO FILE A COPY OF THIS SECTION IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER. THIS WAIVER OF JURY TRIAL IS A MATERIAL INDUCEMENT FOR THE PARTIES HERETO TO ENTER INTO THIS AGREEMENT.

**IN WITNESS WHEREOF**, each Party, by its duly authorized representative, has executed this Agreement as of the date first written above.


(Signatures on Following Page)

LBF/LBHI SETTLEMENT AGREEMENT  
EXECUTION VERSION

**LBHI PARTIES (OTHER THAN WOODLANDS  
COMMERCIAL CORPORATION)**

By:   
Name: Daniel Ehrmann  
Title: Their Authorized Representative

**WOODLANDS COMMERCIAL CORPORATION**

By:   
Name: Daniel Ehrmann  
Title: Its Authorized Representative

**LEHMAN BROTHERS FINANCE AG,  
A/K/A LEHMAN BROTHERS FINANCE SA,  
by PricewaterhouseCoopers AG, Zurich, as  
LBF Liquidator, and without  
personal liability**

By: \_\_\_\_\_  
Name: Christiana Suhr Brunner

By: \_\_\_\_\_  
Name: Pascal Portmann



**LBF/LBHI SETTLEMENT AGREEMENT  
EXECUTION VERSION**

**LBHI PARTIES (OTHER THAN WOODLANDS  
COMMERCIAL CORPORATION)**

By: \_\_\_\_\_  
Name: Daniel Ehrmann  
Title: Their Authorized Representative

**WOODLANDS COMMERCIAL CORPORATION**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Its Authorized Representative

**LEHMAN BROTHERS FINANCE AG,  
A/K/A LEHMAN BROTHERS FINANCE SA,  
by PricewaterhouseCoopers AG, Zurich, as  
LBF Liquidator, and without  
personal liability**

By: \_\_\_\_\_  
Name: Christiana Suhr Brunner

By: \_\_\_\_\_  
Name: Pascal Portmann

**EXHIBIT A**

**ASSIGNED AFFILIATE CLAIMS<sup>1</sup>**

LEHMAN BROTHERS OTC DERIVATIVES, INC

LEHMAN BROTHERS COMMERCIAL CORPORATION

LEHMAN BROTHERS SPECIAL FINANCING, INC.

LEHMAN BROTHERS TREASURY BV

WOODLANDS COMMERCIAL CORPORATION

LEHMAN BROTHERS ASIA HOLDINGS LIMITED (in liquidation) (excluding any payments, claims and rights arising out of or related to GID 4035964 and 4035961 with a value of USD \$5,758,995.76)

LEHMAN BROTHERS SECURITIES ASIA LIMITED (in liquidation) (excluding any payments, claims and rights arising out of or related to the proprietary assets listed on Attachment 1 (including, without limitation, estimated recovery amounts on Lehman Brothers issuances, proceeds and corporate action/derived assets))

LEHMAN BROTHERS COMMERCIAL CORPORATION ASIA LIMITED (in liquidation) -

LEHMAN BROTHERS ASIA CAPITAL COMPANY (in liquidation)

LEHMAN BROTHERS EQUITY FINANCE (LUXEMBOURG)

LEHMAN BROTHERS EQUITY FINANCE (CAYMAN)

LEHMAN BROTHERS SECURITIES NV

LEHMAN BROTHERS EUROPE LIMITED

LB BANKHAUS (excluding any claims relating to cash collateral deposited by third parties in favour of LBF)

LEHMAN BROTHERS INC. (excluding Berkshire Hathaway shares or cash equivalent)

---

<sup>1</sup> The Assigned Affiliate Claims do not include any claims based on securities issued or held by any of these entities, and any such securities will not be assigned as Assigned Affiliate Claims.

Attachment 1 to Exhibit A  
to LBF/LBHI Settlement Agreement  
Excluded Securities and Related Claims<sup>2</sup>

ISIN	Name	quantities 28.02.13	USD 28.02.13
SG1U68934629	KEPPEL CORP LTD SHR 0.00SGD	23,100	217,332.69
HK0101000591	HANG LUNG PROPERTIES SHR HKD 1.00HKD	31,452	121,881.82
HK0023000190	BANK OF EAST ASIA LTSHR HKD 2.50HKD	10,192	41,664.38
SG1R89002252	CITY DEVELOPMENTS LTSHR SGD 0.00SGD	78,885	712,209.38
SG1L01001701	DBS GROUP HOLDINGS LS HR SGD 0.00SGD	22,392	273,474.88
HK0011000095	HANG SENG BANK LTD SHR HKD 5.00HKD	6,520	105,436.59
HK0004000045	WHARF HOLDINGS LTD SHR HKD 1.00HKD	42	367.22
HK0013000119	HUTCHISON WHAMPOA LTSHR HKD 0.25HKD	2,704	29,133.95
SG1J91001581	SEMBCORP MARINE LTD SHR SGD 0.00SGD	66,560	241,557.06
BMG5321P1169	K WAH INTERNATIONAL SHR HKD 0.10HKD	5,528	3,172.30
SG1R31002210	KEPPEL LAND LTD SHR SGD 0.00SGD	598,000	2,010,733.92
HK0097000571	HENDERSON INVESTMENTS HR HKD 0.20HKD	930	75.56
HK0020000177	WHEELOCK & CO LTD SHR HKD 0.50HKD	2,621	14,314.19
SG1J45001547	KEPPEL TELECOMMUNICATIONS HR 0.00SGD	305	340.20
SG1K66001688	WING TAI HOLDINGS LTSHR 0.00SGD	3,000	4,704.17
HK0270001396	GUANGDONG INVESTMENTS HR HKD 0.50HKD	200,000	172,029.14
KYG3307Z1090	FAR EAST CONSORTIUM SHR HKD 0.10HKD	3,318	1,086.82
KYG525621408	KINGBOARD CHEMICAL HS HR HKD 0.10HKD	12,000	36,598.10
CNE1000003R8	MAANSHAN IRON & STEEL HR CNY 1.00HKD	1,957	585.50
HK0014000126	HYSAN DEVELOPMENT COS HR HKD 5.00HKD	8,212	42,254.02
HK0083000502	SINO LAND CO SHR HKD 1.00HKD	124,366	226,134.58
HK0267001375	CITIC PACIFIC LTD SHR HKD 0.40HKD	41,375	63,600.49
BMG2108M1929	CHINESE ESTATES HOLD HR HKD 0.10HKD	5,140	7,874.55
HK0688002218	CHINA OVERSEAS LAND SHR HKD 0.10HKD	367,916	1,117,341.13
HK0308001558	CHINA TRAVEL INTERNAS HR HKD 0.10HKD	284,000	59,696.95
HK0123000694	GUANGZHOU INVESTMENTS HR HKD 0.10HKD	732,422	253,129.27
CNE1000004K1	TSINGTAO BREWERY CO SHR CNY 1.00HKD	1,992	12,471.67
CNE1000004C8	SINOPEC SHANGHAI PET HR CNY 1.00HKD	494	216.60
HK0171000877	SILVER GRANT INTERNAS HR HKD 0.20HKD	141	24.91
HK0992009065	LENOVO GROUP LTD SHR HKD 0.02HKD	280,000	312,695.85
CNE1000002S8	CHINA SHIPPING DEVEL HR CNY 1.00HKD	64,500	35,932.68
BMG3122U1457	ESPRIT HOLDINGS LTD SHR HKD 0.10HKD	104,878	136,870.90
CNE1000004G9	TIANJIN CAPITAL ENVIS HR CNY 1.00HKD	90,000	35,398.80

<sup>2</sup> Inclusion of a valuation as of February 28, 2013, is for information purposes only, and shall not effect or limit LBF's ownership or title to the securities listed, or the value that LBF is entitled to realize therefrom. None of the securities listed in this Attachment, nor any payments, claims or rights arising out of or related thereto, will be assigned as Assigned Affiliate Claims

CNE1000003C0	HARBIN POWER EQUIPMESHR CNY 1.00HKD	36,000	31,475.92
BMG2442N1048	COSCO PACIFIC LTD SHR HKD 0.10HKD	36,371	58,253.64
BMG4069C1486	GREAT EAGLE HOLDINGSSHR HKD 0.50HKD	1,366	5,425.60
HK0034000254	KOWLOON DEVELOPMENT SHR HKD 0.10HKD	2,617	3,779.79
BMG2109G1033	CHINA GAS HOLDINGS LSHR HKD 0.01HKD	350,000	340,769.88
CNE100000379	GUANGSHEN RAILWAY COSHR CNY 1.00HKD	1,964	939.64
HK2800008867	TRACKER FUND OF HONG KONG ETF	63,322	189,447.47
BMG2098R1025	CHEUNG KONG INFRASTRSHR HKD 1.00HKD	20,000	131,149.66
HK0066009694	MTR CORP SHR HKD 1.00HKD	89,300	368,508.61
BMG8114W1082	SHUI ON CONSTRUCTIONSHR HKD 1.00HKD	645	781.87
BMG6542T1190	NOBLE GROUP LTD SHR HKD 0.25SGD	108,182	103,617.58
CNE1000004S4	ZHEJIANG EXPRESSWAY SHR CNY 1.00HKD	82,069	68,897.95
HK0392044647	BEIJING ENTERPRISES SHR HKD 0.10HKD	9,500	72,648.14
CNE1000003K3	JIANGXI COPPER CO LTSHR CNY 1.00HKD	8,000	19,168.22
CNE1000003J5	JIANGSU EXPRESSWAY CSHR CNY 1.00HKD	98,465	99,550.66
MYL694700005	DIGI.COM BHD SHR MYR 0.10MYR	521,000	770,465.65
CNE1000006Z4	HUANENG POWER INTERNSHR CNY 1.00HKD	300,000	308,723.97
CNE1000004Q8	YANZHOU COAL MINING SHR CNY 1.00HKD	76,200	118,115.16
CNE1000003D8	HUADIAN POWER INTERNSHR CNY 1.00HKD	784,000	342,737.77
KYG6493A1013	NEW WORLD CHINA LANDSHR HKD 0.10HKD	8,706	4,008.05
HK0388045442	HONG KONG EXCHANGES SHR HKD 1.00HKD	16,500	296,827.65
SG1J47889782	HYFLUX LTD SHR SGD 0.00SGD	6,000	6,813.77
BMG6844T1146	PACIFIC CENTURY PREMSHR HKD 0.10HKD	5,462	2,246.93
MYL503100009	TIME DOTCOM BHD SHR MYR 1.00MYR	28,580	35,328.48
CNE1000001T8	ALUMINUM CORP OF CHISHR CNY 1.00HKD	117,645	50,823.49
HK2388011192	BOC HONG KONG HOLDINSHR HKD 5.00HKD	916,127	3,089,395.97
CNE1000002V2	CHINA TELECOM CORP LSHR CNY 1.00HKD	400,000	207,363.47
SG1M77906915	ASCENDAS REAL ESTATEREIT 0.00SGD	5,000	10,386.36
CNE1000002P4	CHINA OILFIELD SERVISHR CNY 1.00HKD	6,500	13,797.15
BMG668971101	NWS HOLDINGS LTD SHR HKD 1.00HKD	2,470	4,701.42
HK0008011667	PCCW LTD SHR HKD 0.25HKD	35,838	17,053.61
CNE1000004M7	WEIQIAO TEXTILE CO SHR CNY 1.00HKD	88	45.85
ID1000099104	TELEKOMUNIKASI INDONSHR IDR 250.00IDR	327,500	364,114.70
KYG444031069	HIDILI INDUSTRY INTESHR HKD 0.10HKD	290,000	79,283.00
CNE100000593	PICC PROPERTY & CASUSHR CNY 1.00HKD	350,900	504,097.75
KYG532241042	KWG PROPERTY HOLDINGSHR HKD 0.10HKD	3,000	2,058.16
HK2828013055	HANG SENG INVESTMENT INDEX FUNDS SERIES - H-SHARE INDEX ETF ETF	5,000	73,634.66
HK3377040226	SINO-OCEAN LAND HOLDSHR HKD 0.80HKD	114,000	78,798.12
CNE100000502	ZIJIN MINING GROUP CSHR CNY 0.10HKD	51,000	17,560.13
CNE1000007G2	XINJIANG XINXIN MINISHR CNY 0.25HKD	15,000	3,365.79
KYG210961051	CHINA MENGNIU DAIRY SHR HKD 0.10HKD	13,000	36,295.05
CNE100000536	CHINA SHIPPING CONTASHR CNY 1.00HKD	1,047,000	310,542.27
KYG5496K1242	LI NING CO LTD SHR HKD 0.10HKD	37,000	22,855.12

BMG684371393	PACIFIC BASIN SHIPPISHR USD 0.10HKD	54,000	31,824.10
CNE100000171	SHANDONG WEIGAO GROUSHR CNY 0.10HKD	48,000	44,629.57
HK2380027329	CHINA POWER INTERNATSHR HKD 1.00HKD	2,000	644.79
HK3808041546	SINOTRUK HONG KONG LSHR HKD 0.10HKD	18,000	12,395.38
CNE1000004Y2	ZTE CORP SHR CNY 1.00HKD	640	1,092.73
BMG210901242	CHINA WATER AFFAIRS SHR HKD 0.01HKD	58,000	18,698.82
KYG365501041	FOXCONN INTERNATIONALSHR USD 0.04HKD	2,804	1,182.42
BMG857A31166	SUNGREEN INTERNATIONALSHR HKD 0.00HKD	175,000	37,668.16
HK2823028546	ISHARES ASIA TRUST - ISHARES FTSE/XINHUA A50 CHINA TRACKER ETF	131,433	193,560.50
CNE100000437	SHANGHAI ELECTRIC GRSHR CNY 1.00HKD	4,000	1,624.86
CNE1000002J7	CHINA COSCO HOLDINGSSHR CNY 1.00HKD	75,000	40,234.70
BMG8403G1033	SINOFERT HOLDINGS LTSHR HKD 0.10HKD	91,000	22,531.43
CNE1000002H1	CHINA CONSTRUCTION BSHR CNY 1.00HKD	148,000	122,148.43
CNE100000312	DONGFENG MOTOR GROUPSHR NPV HKD	242,000	354,519.31
CNE1000001H3	LINGBAO GOLD CO LTD SHR CNY 0.20HKD	10,000	3,855.83
BMG653181005	NINE DRAGONS PAPER HSHR HKD 0.10HKD	100,000	95,170.55
CNE1000002N9	CHINA NATIONAL BUILDSHR HKD 1.00HKD	16,000	24,429.69
CNE1000003F3	HUNAN NON-FERROUS MESHR CNY 1.00HKD	1,199,600	400,665.94
CNE100000445	SHANGHAI PRIME MACHISHR CNY 1.00HKD	24,000	3,280.68
CNE1000002Y6	DALIAN PORT PDA CO LSHR CNY 1.00HKD	38,000	9,163.71
KYG693701156	PARKSON RETAIL GROUPSHR HKD 0.02HKD	2,500	1,624.86
CNE1000001Z5	BANK OF CHINA LTD SHR CNY 1.00HKD	231,950	109,476.69
KYG810431042	SHIMAO PROPERTY HOLDSHR HKD 0.10HKD	205,500	413,411.57
KYG8350R1020	SPG LAND HOLDINGS LTSHR HKD 0.10HKD	2,050	785.16
CNE1000002G3	CHINA COMMUNICATIONSSHR CNY 1.00HKD	1,964	1,228.37
CNE1000002F5	CHINA COMMUNICATIONSSHR CNY 1.00HKD	783,000	741,146.43
CNE1000004X4	ZHUZHOU CSR TIMES ELSHR CNY 1.00HKD	8,000	26,462.05
KYG245241032	COUNTRY GARDEN HOLDISHR HKD 0.10HKD	29,375	15,076.73
CNE1000001Q4	CHINA CITIC BANK SHR CNY 1.00HKD	790,000	507,344.12
CNE100000114	CHINA MOLYBDENUM CO SHR CNY 0.20HKD	173,000	84,999.68
HK0656038673	FOSUN INTERNATIONAL SHR HKD 0.10HKD	68,000	44,283.96
SG1N31909426	COMFORTDELGRO CORP LSHR SGD 0.00SGD	174,200	270,339.48
SG1U89935555	MOBILEONE LTD SHR 0.00SGD	1,257	2,844.81
SG1S03926213	MAPLETREE LOGISTICS REIT SGD 0.00SGD	2,091,786	2,062,705.24
SG1S04926220	OVERSEA-CHINESE BANKSHR SGD 0.00SGD	7,500	61,226.96
SG1T56930848	WILMAR INTERNATIONALSHR SGD 0.00SGD	13,000	37,301.97
BMG8648Q1069	SYNEAR FOOD HOLDINGSSHR HKD 0.10SGD	4,000	601.36
SG1W63939514	EPURE INTERNATIONAL SHR SGD 0.00SGD	99,000	52,012.61
SG1V52937132	PARKWAY LIFE REAL ESREIT SGD 0.00SGD	4,950	9,682.35
HK0941009539	CHINA MOBILE LTD SHR HKD 0.10HKD	1,000	11,019.41
CNE100000528	CHINA COAL ENERGY COSHR CNY 1.00HKD	536,672	532,208.10
PH7182521093	PHILIPPINE LONG DISTSHR PHP 5.00PHP	2,490	178,819.48
SG1T75931496	SINGAPORE TELECOMMUNSHR SGD 0.00SGD	800,660	2,226,212.74

SG1S83002349	UOL GROUP LTD SHR SGD 0.00SGD	800	4,209.51
HK0016000132	SUN HUNG KAI PROPERTSHR HKD 0.50HKD	7,000	108,324.20
CNE100000Q35	GAC GROUP	355,519	296,170.32
KYG4672G1064	HUTCHTEL HK	112,000	55,028.69
BMG4288B1037	HANKORE ENVIRONMENT TECHGROUP LIMITED	85,000	3,641.29
HK0000093390	HKT-SS	1,558	1,522.94
ID1000122807	PT ASTRA INTERNATIONAL TBK DEPOSITORY	352,990	290,233.79
SG2B76958422	K-GREEN TRUST (2B76)	4,200	3,717.26

**24,129,178.13**

#### Lehman Brothers Papers

Security Code	Name	USD LBHI admissible amounts	USD expected dividend on LBHI 22%
14510	<u>LB-HSI@EP0903D</u>	12,575,180.30	2,766,539.67
14509	<u>LB-HSI@EP0903C</u>	10,203,578.25	2,244,787.22
14386	<u>LB-HSI@EP0901C</u>	6,584,823.73	1,448,661.22
14041	<u>LB-PETCH@EP0904</u>	9,836,212.94	2,163,966.85
14040	<u>LB-CMOB@EP0904</u>	14,372,597.25	3,161,971.40
14387	<u>LB-HSI@EP0901D</u>	8,184,916.34	1,800,681.59
14643	<u>LB-COV@EC0903B</u>	215,976.77	47,514.89

**13,634,122.83**

#### Expected Dividends and Coupons

Periode	Comments		USD
15.09.08 - 28.02.13	Assumption made by LBSAL according to their deposit information		6,869,921.56

**6,869,921.56**

**44,633,222.52**

**EXHIBIT B**

**SCHEDULE OF LEHMAN PROGRAM SECURITIES<sup>3</sup>**

ISIN	Notional	Allowed Amount	Comments
ANN521331184	3,247	\$5,250,497	
ANN5214A8063	200	2,326,169	
CH0016059278	0	202,690	Unit=XS0169022091: LBT note=XS0168796570 & LBF warrant=CH0016059278
CH0016059864	0	3,583,077	Unit=XS0169028700: LBT note=XS0168796653 & LBF warrant=CH0016059864
CH0017601359	125	176,449	
CH0027120606	725,000	646,731	
CH0027120622	906,000	906,000	
CH0027120630	230,000	230,000	
CH0027120648	8,695,000	12,413,874	
CH0027120655	7,994,000	7,152,629	
CH0027120663	7,418,000	6,617,173	
CH0027120671	500,000	446,021	
CH0027120689	10,731,000	15,228,424	
CH0027120697	4,420,000	6,272,448	
CH0027120705	1,328,000	1,328,000	
CH0027120713	200,000	200,000	
CH0027120721	2,785,000	3,952,210	
CH0027120739	3,000,000	4,257,317	
CH0027120747	3,949,000	5,604,049	
CH0027120754	2,805,000	3,980,592	
CH0027120770	16,440	5,848,709	
CH0027120796	1,328,000	1,184,633	
CH0027120812	6,005,000	5,356,716	
CH0027120820	150,000	212,866	
CH0027120838	1,444,000	1,299,733	
CH0027120846	4,463,000	6,446,196	
CH0027120853	644	870,713	
CH0027120861	798,000	711,850	
CH0027120879	502,000	712,391	
CH0027120903	3,427,000	4,863,275	

<sup>3</sup> This list will be supplemented from time to time to include additional Lehman Paper claims acquired by LBF subsequent to execution of the Agreement, which claims would be accepted by LBHI at the applicable valuations, including but not limited to any claims related to that certain Lehman Paper listed below under LBT Hong Kong Notes.

CH0027120945	490,000	499,720
CH0027120978	500,000	709,553
CH0027120986	1,719,000	1,533,421
CH0027120994	515,000	730,625
CH0027121000	26,000	36,897
CH0027121026	351,000	313,107
CH0034783636	980,000	874,202
CH0034783644	554,000	494,192
CH0034783651	353,000	500,944
CH0034783669	428,000	607,377
CH0034783677	703,000	703,000
CH0034783685	542,000	542,000
CH0034783693	572,000	768,356
CH0034783701	819,000	1,122,140
CH0036891080	412,000	316,069
CH0036891106	610,000	549,682
CH0036891114	655,000	555,934
CH0036891122	685,000	635,568
CH0036891148	397,000	354,141
CH0036891163	445,000	396,959
CH0036891221	500,000	699,732
CH0036891239	536,000	426,176
CH0036891254	730,000	955,581
CH0036891262	149,000	132,914
CH0039308652	341,000	288,933
CH0039308660	500,000	363,411
CH0039308686	1,830,000	2,300,362
CH0039308694	319,000	168,152
CH0039308710	285,000	170,630
CH0043088605	990,000	976,071
CH0043088613	965,000	1,365,013
CH0043088621	373,000	308,962
CH0043088639	870,000	691,658
CH0043088647	286,000	378,066
CH0043088654	369,000	345,911
DE000A0G0Y08	552,000	783,346
DE000A0G4LS9	228	324,266
DE000A0LHNW7	283	294,614
DE000A0LHVDO	1,533	1,461,793
DE000A0LJV62	190	176,870
DE000A0MGS69	807	973,191
DE000A0MHVVO	2,311	3,279,553
DE000A0MHXQ6	1,065	1,342,108



DE000A0MJHE1	6,754	7,200,750
DE000A0N1VM8	693,000	983,440
DE000A0N6GH8	1,190	1,505,253
DE000A0N7XQ2	3,221	4,222,010
DE000A0N8MX9	409	463,326
DE000A0NLYL5	3,863	3,265,273
DE000A0NLZG2	892	1,044,107
DE000A0NMGK2	189	173,080
DE000A0NMJ46	328	386,356
DE000A0NMXZ5	83	101,074
DE000A0NPV47	1,072	1,205,064
DE000A0NTKC6	73,000	103,595
DE000A0NTS89	26,000	36,897
DE000A0NTV01	1,093	1,350,837
DE000A0NXKZ9	114	187,416
DE000A0NZAV4	925	982,493
DE000A0S1160	109	127,498
DE000A0S2A33	279	463,400
DE000A0S5NN9	196	208,037
DE000A0S7D50	86	109,648
DE000A0SG1J6	961	1,279,781
DE000A0SG1R9	60	88,612
DE000A0SHLW6	581	808,678
DE000A0SHPH8	383	511,505
DE000A0SUA81	181	131,377
DE000A0SUEV6	388	472,003
DE000A0SUT07	325	433,204
DE000A0TLG93	166,000	235,572
DE000A0TLKY4	604,000	857,140
DE000A0TLL96	60,000	85,146
DE000A0TN6J5	310,800	441,058
DE000A0TPVQ8	160,500	160,500
DE000A0TQG23	359,000	522,605
DE000A0TR731	301,000	434,806
DE000A0TR749	106,000	152,851
DE000A0TT7X8	42,000	59,602
DE000A0TV576	99,000	141,375
DE000A0TVK20	552,000	783,346
DE000A0TVPR6	54,000	77,425
DE000A0TX6H7	4,000	5,676
DE000A0V4E15	460	575,397
DE000A0WDDE2	30,000	29,169
FI0003025882	100,000	72,169

NO0010387749	730,000	126,322	
XS0137335468	40,000	40,000	
XS0143892023	390,000	390,000	
XS0144646386	120,000	120,000	
XS0146656417	180,000	180,000	
XS0159948784	20,000	20,000	
			Unit=XS0169022091: LBT note=XS0168796570
XS0168796570	0	25,704,395	& LBF warrant=CH0016059278
			Unit=XS0169028700: LBT note=XS0168796653
XS0168796653	0	59,787,878	& LBF warrant=CH0016059864
			Unit=XS0169022091: LBT note=XS0168796570
XS0169022091	18,011	0	& LBF warrant=CH0016059278
			Unit=XS0169028700: LBT note=XS0168796653
XS0169028700	44,861	0	& LBF warrant=CH0016059864
XS0169124509	145,000	205,770	
XS0172402421	900	900,000	
XS0177644621	440,000	624,407	
XS0180153826	497,000	481,511	
XS0185247912	821,629	1,128,124	
XS0185349916	100,000	161,493	
XS0186243118	120,000	107,318	
XS0186883798	522,000	522,000	
XS0187189104	350,000	496,687	
XS0187966949	115,000	116,394	
XS0187967160	854,000	761,804	
XS0188371024	7,850,000	8,827,013	
XS0191748242	300,000	425,732	
XS0192355302	222	222,000	
XS0192518024	206,000	206,000	
XS0192518370	210,000	210,000	
XS0193532735	292,000	292,000	
XS0195333520	201,000	201,000	
XS0195333793	333,000	472,562	
XS0195333876	758,000	758,000	
XS0198737735	600,000	600,000	
XS0199536029	50,000	70,955	
XS0200265709	79,000	71,132	
XS0200454188	250,000	250,000	
XS0203783526	2,120,000	2,120,000	
XS0204199466	570,000	570,000	
XS0204199540	1,040,000	1,475,870	
XS0204933997	17,000	17,311	
XS0207361865	1,582	0	Nothing outstanding per books and records

XS0207884379	1,153,000	748,207
XS0207897199	120,000	125,587
XS0208333194	520,000	77,153
XS0209026805	340,000	493,383
XS0209198927	1,175,000	1,175,000
XS0210326202	150,000	212,866
XS0213519464	83,000	134,107
XS0213629487	200,000	283,821
XS0214408840	520,000	737,935
XS0214633967	4,515,000	6,407,263
XS0216280932	40,000	56,950
XS0216591692	595,000	595,000
XS0217939650	1,253,000	1,117,729
XS0218961109	8,000	11,353
XS0220326408	1,153,000	1,028,525
XS0221394447	1,095	155,392
XS0221419459	180,000	180,000
XS0222198631	600,000	600,000
XS0222698283	420,000	596,024
XS0222780701	670,000	950,801
XS0223590612	707,000	630,674
XS0223700658	736,000	1,044,462
XS0225841898	311,000	441,342
XS0226787447	1,251,000	1,115,945
XS0227570750	160,000	227,057
XS0228149075	177,000	251,182
XS0230607524	1,274,000	1,807,941
XS0231102459	430,000	430,000
XS0231181222	30,000	42,573
XS0231346593	500	998
XS0231442046	7,225	1,025,304
XS0231644260	120	235,918
XS0232035534	50,000	46,659
XS0232035880	8,000	11,945
XS0232037159	923,000	988,150
XS0232659150	460,000	652,789
XS0233810521	200,000	285,618
XS0234123650	549,000	490,715
XS0234421914	240,000	340,585
XS0234626058	331,000	331,000
XS0234626306	2,890,000	370,796
XS0234632700	5,413	4,605,156
XS0234972981	71,115	3,197,770

XS0235227302	571	761,460
XS0235429437	190,000	269,630
XS0236535679	160,000	227,057
XS0237053623	1,470,000	1,470,000
XS0237410831	1,230	174,550
XS0237709208	212,000	300,850
XS0238228901	94,000	133,396
XS0238337439	50,000	70,955
XS0238679079	13,691	6,206,770
XS0238681307	67,921	3,734,023
XS0240142827	17,000	24,125
XS0240397496	2,570,000	329,739
XS0240399435	866,000	866,000
XS0241359180	60,000	60,000
XS0241762748	1,000,000	1,000,000
XS0241963726	50,000	70,955
XS0242136413	5,000	4,460
XS0242801958	700,000	993,374
XS0243065421	95,000	134,815
XS0244566336	150	141,663
XS0245046114	730,000	730,000
XS0245479810	1,100,000	1,100,000
XS0246082043	329,000	472,596
XS0246449440	200,000	200,000
XS0246504210	860,000	1,379,980
XS0247452799	1,450,000	1,450,000
XS0247457087	2,285,000	3,242,657
XS0247687162	190,000	279,993
XS0248142894	35,000	41,790
XS0248620899	765,000	682,413
XS0249400044	100,000	100,000
XS0249774711	1,000,000	58,778
XS0250416582	500,000	500,000
XS0250879763	2,632,000	2,632,000
XS0251375233	10,000	7,673
XS0251416367	1,370,000	1,370,000
XS0251644232	1,000,000	1,419,106
XS0251909478	11,067	3,223,002
XS0251909635	51,859	2,775,555
XS0251910997	205	290,917
XS0252173066	288,000	408,702
XS0252767792	1,885,000	1,885,000
XS0252899512	200,000	283,821

XS0253634850	3,310,000	4,697,240
XS0253635154	4,020,000	4,020,000
XS0253837370	200,000	283,821
XS0253852254	466	510,305
XS0254780611	720,000	720,000
XS0254853947	442,000	627,245
XS0255599598	710,000	1,017,835
XS0255689589	805	1,115,417
XS0256233122	12,000	12,000
XS0256259606	5,000,000	2,120,553
XS0256368308	600,000	600,000
XS0256934000	609,000	864,235
XS0257101856	3,945	5,598,372
XS0257807288	1,450,000	2,057,703
XS0257807874	1,960,000	1,960,000
XS0258411239	290	411,541
XS0258782720	400,000	156,947
XS0259010022	170,000	170,000
XS0259295607	187	265,373
XS0259672599	650,000	922,419
XS0260341911	219,000	392,732
XS0260445530	1,056	892,948
XS0260769434	2,580,000	2,580,000
XS0260770010	2,280,000	3,235,561
XS0261032238	20,991	3,476,825
XS0261613474	5,000,000	2,245,713
XS0261749450	637	1,198,331
XS0262163206	1,336,000	1,336,000
XS0262353831	554,000	786,945
XS0263244914	350,000	350,000
XS0263715467	2,100,000	3,281,810
XS0263871674	100,000	141,720
XS0264130369	5,000,000	4,048,458
XS0264209387	181,000	161,460
XS0264674549	530,000	586,052
XS0264966671	532,000	532,000
XS0264994459	1,640,000	2,634,349
XS0265627751	5,536	123,694
XS0266165736	107,000	160,107
XS0266486025	1,536,000	1,536,000
XS0266544831	755,000	1,071,425
XS0266559433	24,600,000	145,019
XS0266912228	3,780,000	3,780,000

XS0267059755	974,000	1,382,209
XS0267329307	1,153	785,030
XS0267365442	341	483,915
XS0267879475	225	319,299
XS0268033908	402,000	570,481
XS0268363289	675,000	286,275
XS0268364410	2,640,000	1,119,652
XS0268858502	3,604,000	5,114,457
XS0268992145	40,000	40,000
XS0269529136	1,490,000	1,329,144
XS0269657135	581,000	824,500
XS0269657994	1,061,000	1,505,671
XS0269670401	200,000	25,246
XS0269969027	996,000	1,432,554
XS0270174013	3,285,000	3,387,519
XS0270174872	509,000	722,325
XS0270328858	3,600,000	3,498,520
XS0270482424	438,000	621,568
XS0270828584	347,000	287,352
XS0270987547	1,091,000	1,215,217
XS0271141565	350,000	160,762
XS0271187634	200,000	200,000
XS0271201484	526	757,434
XS0271720673	38,000	53,926
XS0271794363	350,000	51,930
XS0271795840	250,000	37,093
XS0271820978	200,000	283,821
XS0271893694	109,000	159,784
XS0272095216	13,041,000	16,923,099
XS0272318709	194,000	275,307
XS0272349332	500,000	312,693
XS0272486753	557,000	616,972
XS0272617100	80,000	143,464
XS0272617951	377,000	377,000
XS0272783530	1,339,000	1,763,112
XS0272915116	500,000	471,847
XS0273083096	400,000	367,333
XS0273084656	346,000	388,189
XS0273666437	450,000	638,598
XS0274443422	96,000	136,234
XS0274445120	493,000	439,777
XS0274497279	100,000	89,326
XS0275071230	12,400,000	11,061,329

XS0275721628	600,000	484,719
XS0275726007	200,000	171,476
XS0276072682	1,891,000	2,253,973
XS0276147104	300,000	246,330
XS0276437521	900,000	796,531
XS0276441044	450,000	645,962
XS0276444147	400,000	344,162
XS0276600292	100,000	87,944
XS0276619805	780,000	932,676
XS0276859609	153	217,123
XS0277121264	300,000	246,118
XS0277185152	360,000	510,878
XS0277722772	29,700,000	175,084
XS0278266951	150,000	197,731
XS0278449441	2,000,000	662,014
XS0278450027	93,000	131,977
XS0278755052	50,000	16,010
XS0279202682	100,000	136,022
XS0279493398	45,527	478,389
XS0279675150	40,000	43,789
XS0280223107	478,000	678,333
XS0280904714	100,000	104,130
XS0281520352	151,000	179,463
XS0281980432	350,000	334,511
XS0282034460	200,000	163,489
XS0282208049	411,000	583,252
XS0282208718	160,000	228,400
XS0282452621	1,391,000	1,879,354
XS0282763035	900,000	513,020
XS0282764199	100,000	47,074
XS0282866192	85,000	51,418
XS0283189016	500,000	222,722
XS0283319837	497	705,296
XS0283820065	20,000	23,739
XS0283914637	226,842	2,534,447
XS0284114567	300,000	425,732
XS0284313847	205,000	227,188
XS0284490629	43	64,328
XS0284511994	940,000	1,141,431
XS0284611869	100,000	141,911
XS0285422597	500,000	607,082
XS0285759121	100,000	77,651
XS0285769278	513,000	681,857

XS0285922133	121,000	171,712	
XS0285986534	10,000	14,191	
XS0286018758	400,000	495,762	
XS0286129159	100,000	141,911	
XS0286179923	2,700,000	400,600	
XS0286181077	1,250,000	185,463	
XS0286302988	143,000	202,932	
XS0286778476	600,000	452,881	
XS0286897219	957,000	1,358,084	
XS0286900708	1,416,000	1,263,132	
XS0287119480	300,000	300,000	
XS0287234313	120,000	160,098	
XS0287235047	280,000	397,350	
XS0287442692	558,000	519,170	
XS0287567043	6,350,000	6,229,158	
XS0287672694	232,000	115,349	
XS0288035164	600,000	851,463	
XS0288291593	45,000	80,698	
XS0288341448	80,000	101,226	
XS0288391971	250,000	354,776	
XS0288569972	200,000	123,458	
XS0288610016	100,000	61,856	
XS0288702052	1,339,000	1,952,743	
XS0288760761	300,000	344,893	
XS0289701962	312,000	277,336	
XS0289717968	20,000	28,382	
XS0290694925	100,000	46,977	
XS0292153672	526,000	526,000	
XS0292248977	526,500	526,500	
XS0292336673	50,000	42,404	
XS0292528311	2,000,000	3,069,662	
XS0292542494	9,500,000	8,583,281	
XS0293572425	30,000	22,535	
XS0293628748	330,000	308,382	
XS0293677281	540,000	766,317	
XS0293731914	1,500,000	11,666	
XS0293784525	36,700,000	0	FMV note floored at \$0
XS0293784871	1,000,000	2,541,618	
XS0294024004	1,500,000	1,338,064	
XS0294244032	7,000,000	2,904,165	
XS0294484422	546,000	546,000	
XS0294545156	500,000	525,922	
XS0294545669	700,000	700,000	



XS0295277684	200,000	167,111
XS0295698947	450,000	638,598
XS0295760093	111,000	112,622
XS0296156085	150,000	212,866
XS0296280927	1,000,000	1,419,106
XS0296281735	35,000	18,788
XS0296589194	272,000	385,997
XS0296894669	282,000	400,188
XS0297127861	7,000,000	1,878,054
XS0297155565	90,000	78,451
XS0297221458	950,000	140,952
XS0297365024	3,700,000	548,970
XS0297906801	400,000	411,752
XS0297907791	400,000	269,486
XS0297908849	7,000,000	1,966,290
XS0297915117	7,000,000	1,433,061
XS0298200238	60,000	53,046
XS0298612697	7,000,000	1,960,190
XS0298931956	100,000	75,343
XS0299083468	140,000	140,000
XS0299085323	130,000	184,484
XS0299103084	365,000	281,143
XS0299172725	700,000	394,986
XS0299369511	7,000,000	1,929,733
XS0299371509	983,859	1,396,200
XS0299386101	761,000	678,844
XS0299555739	1,127,000	1,127,000
XS0299624568	800,000	74,218
XS0299661099	7,000,000	1,956,820
XS0299701499	365,000	517,974
XS0299702380	380,000	380,000
XS0299929595	170,000	170,000
XS0300152666	500,000	479,925
XS0300339578	400,000	382,260
XS0300349296	7,000,000	1,905,567
XS0300349882	500,000	279,128
XS0300350625	200,000	121,245
XS0300351193	7,000,000	1,877,944
XS0300460721	525,000	487,426
XS0300476214	550,000	60,318
XS0300477709	665,000	943,705
XS0300516969	345	80,946
XS0300662607	150,000	117,826

XS0300663167	900,000	900,000
XS0301086475	50	63,772
XS0301128061	300,000	268,684
XS0301129036	850,000	763,281
XS0301129549	150,000	152,160
XS0301130554	300,000	312,428
XS0301340872	150,000	124,155
XS0301348420	150,000	150,000
XS0301365945	590,000	837,272
XS0301522396	175,000	248,344
XS0301958178	100,000	52,570
XS0302282602	300,000	247,102
XS0302350888	1,135,000	1,615,952
XS0302504948	300,000	301,066
XS0302668545	500,000	516,944
XS0302821755	7,000,000	1,930,275
XS0302861033	50,000	70,955
XS0303172117	800,000	418,002
XS0303178825	7,000,000	1,885,554
XS0303465214	214,000	78,436
XS0303746571	5,677,000	8,056,263
XS0303764129	600,000	499,164
XS0303864184	7,000,000	1,875,100
XS0303865074	1,200,000	888,637
XS0303866049	1,350,000	1,350,000
XS0304080558	286,000	405,864
XS0304080715	278,000	278,000
XS0304471070	100,000	67,224
XS0304473019	7,000,000	1,852,600
XS0304593857	500,000	112,517
XS0305099789	100,000	101,799
XS0305158031	320,000	178,132
XS0305574500	191,000	271,049
XS0305574849	262,000	262,000
XS0305948860	94,000	75,645
XS0306148288	90,000	90,000
XS0306179168	480	218,526
XS0306901330	30,000	30,000
XS0306921957	4,800,000	28,296
XS0307093491	7,000,000	2,540,563
XS0307323161	1,600,000	237,392
XS0307325455	1,120,000	173,791
XS0307992676	418,000	593,186

XS0308102283	7,000,000	1,661,820
XS0308319341	180,000	200,880
XS0308461176	86,000	90,461
XS0308734242	250,000	159,341
XS0308982650	100,000	57,546
XS0309103546	125,000	177,388
XS0309186145	100,000	100,000
XS0309335080	1,000,000	1,000,000
XS0309790797	40,000	40,000
XS0309813839	60,000	53,433
XS0309835139	2,567	1,194,023
XS0309843232	1,800,000	1,457,445
XS0309871019	898,000	1,274,357
XS0310069538	1,280	69,926
XS0310083950	7,000,000	2,879,421
XS0310085062	50,000	50,000
XS0310085815	350,000	245,699
XS0310476766	500,000	324,423
XS0310487292	120,000,000	673,179
XS0311101652	170,000	170,000
XS0311297021	289,000	427,517
XS0311301070	1,350,000	1,350,000
XS0311740582	7,000,000	5,667,841
XS0311764509	220,000	252,459
XS0311765068	150,000	136,943
XS0311853195	200,000	85,545
XS0312086456	5,100,000	30,065
XS0312194854	100,000	66,696
XS0312428609	7,000,000	2,198,855
XS0312432114	1,000,000	809,692
XS0312463184	351,000	330,196
XS0312723272	7,000,000	3,731,857
XS0313102377	191,000	276,878
XS0313198201	285,000	404,445
XS0313345604	31,880	2,988,220
XS0313950031	100,000	100,000
XS0314034728	95,000	134,815
XS0314067140	769,000	415,450
XS0314578310	7,000,000	2,685,579
XS0315548700	7,900,000	39,491
XS0315549690	60,000,000	372,634
XS0315559061	3,040	479,209
XS0316388445	922,000	531,558

XS0316405637	5,180	865,378
XS0316485563	918,000	818,895
XS0316826733	7,000,000	2,197,700
XS0316992824	200,000	172,009
XS0317240157	213,000	161,222
XS0317359718	10,000	12,136
XS0317366689	1,000,000	1,699,521
XS0317744380	1,100,000	968,300
XS0318056354	2,404,000	2,144,471
XS0318224598	140,000	140,000
XS0318362711	70,000	70,000
XS0318538260	690,000	558,687
XS0318778734	285,000	254,260
XS0319159454	60,000	60,000
XS0319159538	130,000	85,943
XS0319159702	310,000	310,000
XS0319161518	250,000	192,011
XS0319193396	244,000	346,262
XS0319211982	550,000	550,000
XS0319612387	60,000	60,000
XS0319632575	7,000,000	2,024,963
XS0319632732	7,000,000	1,916,996
XS0319831854	1,172,000	2,101,745
XS0320102295	7,000,000	3,903,554
XS0320521007	150,000	82,812
XS0320745028	7,000,000	2,136,237
XS0321019258	150,000	174,432
XS0321317603	300,000	352,301
XS0321471517	545,000	318,194
XS0321794280	7,000,000	3,525,110
XS0321795840	7,000,000	3,588,826
XS0322030940	7,000,000	2,278,863
XS0322153270	157,000	140,051
XS0322467969	7,000,000	2,185,689
XS0322468777	7,000,000	3,207,353
XS0323353499	50,000	63,025
XS0323412337	90,000	25,717
XS0323526854	360,000	645,587
XS0323634823	14,000,000	7,275,908
XS0323635473	7,000,000	1,766,233
XS0323635713	7,000,000	3,093,108
XS0323643063	2,900	447,737
XS0323747781	1,500,000	1,325,151

XS0323826221	640,000	47,217
XS0323849199	280,000	280,000
XS0323869205	20,000	1,577
XS0323881754	200,000	120,727
XS0324187839	14,000,000	4,242,289
XS0324269488	25,000	22,754
XS0324445807	320,000	454,114
XS0324446011	380,000	380,000
XS0324461671	400,000	269,169
XS0324461838	100,000	39,523
XS0324461911	7,000,000	2,235,946
XS0324462133	7,000,000	2,335,872
XS0324491660	19,000	26,963
XS0324632669	500,000	709,553
XS0324731990	200,000	183,637
XS0324872893	138,000	195,837
XS0324872976	292,000	292,000
XS0324983963	7,000,000	2,228,055
XS0324984185	7,000,000	2,264,359
XS0325077864	200,000	174,339
XS0325152154	245,000	172,671
XS0325550472	70,000	62,443
XS0325550555	67,000	99,910
XS0325784626	300,000	367,538
XS0325790276	1,423	344,495
XS0325813409	50,000	50,000
XS0326085742	331,000	469,724
XS0326086716	519,000	472,640
XS0326108973	900,000	133,533
XS0326364386	995,000	1,412,010
XS0326403895	8,000,000	883,721
XS0326476693	120,000	85,497
XS0326486734	7,000,000	2,123,095
XS0326608352	1,000,000	60,114
XS0326826343	300,000	202,617
XS0326999959	875,000	1,043,605
XS0327055371	300,000	232,535
XS0327234380	2,000,000	513,978
XS0327236757	946,000	1,342,474
XS0327236914	261,000	245,972
XS0327275227	7,000,000	2,444,645
XS0327275656	7,000,000	2,790,985
XS0327291349	7,000,000	2,277,785

XS0327576772	190,000	340,727
XS0327731096	50,000	38,937
XS0327847470	7,000,000	1,582,149
XS0327848015	200,000	158,585
XS0328210652	7,000,000	2,322,998
XS0328465306	74,000	2,181,789
XS0328587166	7,000,000	1,668,535
XS0328596316	200,000	200,000
XS0328865661	7,000,000	2,120,778
XS0328873681	794,000	708,282
XS0328922645	470,000	470,000
XS0328923379	875,000	1,241,718
XS0329133341	800,000	1,135,285
XS0329192511	200,000	84,655
XS0329337264	7,000,000	2,150,040
XS0329337348	300,000	11,139
XS0329337421	7,000,000	1,535,562
XS0329429541	7,000,000	2,450,927
XS0329801715	80,000	80,000
XS0329801806	80,000	113,528
XS0330201988	100,000	71,108
XS0330204149	7,000,000	2,433,891
XS0330222984	1,300	1,133,627
XS0330420943	300,000	214,811
XS0330730382	100,000	64,658
XS0330834598	100,000	145,229
XS0330867762	7,000,000	2,652,055
XS0331034768	100,000	67,715
XS0331037605	7,000,000	2,689,970
XS0331039569	22,687	3,852,540
XS0331044726	3,000,000	700,398
XS0331048040	7,000,000	2,511,571
XS0331048123	4,000,000	962,714
XS0331334481	350,000	21,437
XS0331427061	100,000	92,446
XS0331504745	200,000	90,944
XS0331769454	300,000	164,320
XS0331878404	180,000	260,595
XS0332049229	50,000	70,955
XS0332049815	198,000	280,983
XS0332050078	39,000	39,453
XS0332108413	7,000,000	2,297,016
XS0332136380	1,592,000	968,108

XS0332181840	300,000	425,732
XS0332185676	4,723	914,712
XS0332547099	70,000	32,599
XS0332764785	7,000,000	3,348,168
XS0334419321	548,000	982,727
XS0334450599	7,000,000	3,444,495
XS0334595138	345,000	307,755
XS0334704524	7,000,000	2,806,089
XS0334854410	200,000	200,000
XS0334921896	1,000,000	753,763
XS0335143284	7,000,000	2,884,771
XS0335226659	113,000	163,267
XS0335528666	185,000	258,977
XS0335576475	281,000	398,769
XS0335624036	7,000,000	2,874,210
XS0335964648	50,000	70,955
XS0336151088	842,000	1,194,887
XS0336218762	440,000	265,284
XS0336249569	7,000,000	2,625,415
XS0336250229	90,000	39,958
XS0336415913	400,000	117,289
XS0336617203	7,000,000	3,525,745
XS0336633150	2,066	1,163,217
XS0336927149	22,000,000	167,183
XS0336927909	270,000	157,120
XS0336928113	1,000,000	23,121
XS0336930440	1,000,000	23,490
XS0336931331	40,000	40,000
XS0336943427	6,000	8,515
XS0336951107	700,000	713,668
XS0337388382	51,000	64,038
XS0337413917	7,000,000	3,155,158
XS0337488505	600,000	364,287
XS0337617327	100,000	28,713
XS0337685670	100,000	98,563
XS0337877582	7,000,000	3,037,932
XS0338526576	989	201,140
XS0338676389	150,000	94,543
XS0338845596	7,000,000	2,453,848
XS0338941551	44,000	62,441
XS0339222308	100,000	77,396
XS0339408238	152,000	152,000
XS0339408584	1,610,000	1,684,180

XS0339413311	520,000	331,041
XS0339559360	7,000,000	3,780,679
XS0339559527	7,000,000	1,964,840
XS0339561002	500,000	11,885
XS0339760117	210	36,154
XS0339810078	410,000	343,180
XS0339944943	500,000	500,000
XS0340417251	29,000	41,814
XS0340460855	500,000	321,232
XS0340696466	173,000	245,505
XS0340891240	458,000	649,950
XS0341159589	1,000,000	323,618
XS0341223427	1,000,000	350,366
XS0341528965	9,000	12,938
XS0342144416	450,000	137,297
XS0342406716	227,000	322,137
XS0342414819	10,000	14,191
XS0342523197	33,000	46,830
XS0342637872	815,000	897,929
XS0342989711	7,000,000	4,020,718
XS0343642905	7,000,000	2,230,883
XS0343798400	7,000,000	4,034,510
XS0343900022	20,000	30,092
XS0344087183	400,000	239,595
XS0344087340	152,000	174,046
XS0344101273	7,000,000	3,282,274
XS0344101943	7,000,000	1,705,812
XS0344460323	50,000	70,955
XS0344460752	76,000	76,000
XS0345439334	384,000	596,073
XS0345814791	7,000,000	4,392,688
XS0345815178	7,000,000	3,297,998
XS0346080590	669,000	970,715
XS0346123408	7,000,000	3,746,112
XS0346124638	7,000,000	3,005,412
XS0346124984	7,000,000	4,033,954
XS0346821357	100,000	100,000
XS0347064924	360,000	501,403
XS0348974410	12,000	17,029
XS0349054360	300,000	300,000
XS0349153931	7,000,000	3,380,809
XS0349159623	500,000	261,137
XS0349530823	467,000	662,722



XS0349809342	391,000	554,870
XS0349857317	487,000	487,000
XS0349924109	115	103,689
XS0349924281	465	133,774
XS0350117064	7,000,000	4,685,748
XS0350893904	7,000,000	2,133,321
XS0350899182	4,617,000	6,022,174
XS0350902580	2,250,000	2,119,303
XS0350982830	100,000	94,118
XS0351390017	180,000	247,942
XS0351627806	7,000,000	4,627,712
XS0351766836	690,000	979,183
XS0353289712	900,000	805,976
XS0354826017	5,100,000	30,065
XS0355133454	84,000	85,228
XS0355694646	32,000	26,603
XS0355694992	40,000	27,269
XS0355896944	10,000	14,304
XS0356447093	200,000	283,821
XS0357486447	1,000,000	1,419,106
XS0357874451	7,000,000	3,719,497
XS0358125630	7,000,000	2,336,529
XS0358299542	38,000	36,501
XS0358366325	15,000	21,457
XS0358689841	200,000	318,592
XS0359895876	58,000	82,308
XS0359896098	90,000	90,000
XS0360926298	14,000	19,625
XS0361039067	100,000	68,252
XS0361641318	909,000	1,163,189
XS0361641821	421,000	500,555
XS0361886772	264,000	374,644
XS0361915621	500,000	41,957
XS0363707695	7,000,000	3,823,513
XS0363956722	45,000	36,996
XS0364018340	7,000,000	3,995,884
XS0364263227	7,000,000	184,268
XS0364512979	340,000	262,886
XS0364895614	7,000,000	4,071,420
XS0364895887	7,000,000	3,853,370
XS0365839835	414,000	179,314
XS0365872968	7,000,000	4,148,110
XS0365915874	8,000,000	4,713,624

XS0366065687	200,000	180,693
XS0366126224	7,000,000	3,025,830
XS0366475076	78,900,000	6,369,525
XS0367651782	102,000	90,988
XS0368588421	58,300,000	3,181,121
XS0368669007	1,116,000	1,610,966
XS0369674550	175,000	101,865
XS0370988338	650	39,808
XS0371134924	100,000	93,120
XS0371797100	140,000	198,675
XS0372300144	17,464	14,140
XS0373219582	1,146,000	1,626,295
XS0375356648	1,745,000	2,476,340
XS0377288450	1,986,000	1,950,245
XS0379217184	2,980,000	3,023,557
XS0383364873	220,000	191,821
XS0384581756	1,000,000	1,419,106
XS0384581913	1,000,000	1,419,106
<b>Totals</b>	<b>1,571,304,275</b>	<b>\$942,997,884</b>

**LBT Hong Kong Notes**

ISIN	Notional Amount Local Currency	9/14/08 Outstanding Nominal Value in Local Currency from Trade Level DDB - ALL ROWS	LBT Sept 14, 2008 Outstanding Nominal \$ Value	Allowed Amount
XS0260439210	5,000,000	5,000,000	3,969,706	2,244,674
XS0332136463	7,000,000	7,000,000	5,557,589	5,287,283
XS0338676116	14,000,000	14,000,000	9,064,264	4,488,881
XS0342120820	8,000,000	8,000,000	6,351,530	3,880,243
XS0342989398	7,000,000	7,000,000	4,532,132	2,426,352
				<hr/> 18,327,432.38

**EXHIBIT C**

**LBHI JOINDER PARTY CLAIMS**

	\$13,741,149.38 (CHF 14'995'716.32)
<b>314 Commonwealth Ave. Inc.</b>	
	\$ 12,223,000 (CHF 13,338,959.90)
<b>LB Investment Mgmt Company Ltd.</b>	
<b>LB I Group</b>	\$0
<b>LB SDI</b>	\$0
<b>Lehman Brothers P.A. LLC</b>	\$8,893.95 (CHF 9'705.97)
	\$158,301 (CHF 172'753.88)
<b>LB Hercules Holdings (Neuberger Berman LLC)</b>	

**EXHIBIT D**

**FORM OF ASSIGNMENT**

### **ASSIGNMENT OF CLAIMS**

THIS ASSIGNMENT OF CLAIMS ("Assignment") is made and entered into as of this \_\_ day of \_\_, \_\_, by and between Lehman Brothers Finance AG (in Liquidation), also known as Lehman Brothers Finance SA (en liquidation) ("LBF"), an entity incorporated in Switzerland, by and through PricewaterhouseCoopers AG (Zurich), LBF's duly authorized bankruptcy liquidator (the "*Assignor*") and Lehman Brothers Holdings Inc. ("*Assignee*") (Assignor and Assignee are sometimes hereinafter collectively referred to as "Parties" or "the Parties").

WHEREAS, Assignor and Assignee have entered into a Settlement Agreement, dated as of March \_\_, 2013 (the "Agreement") for the settlement of claims by and between Assignor and Assignee, among others; and

WHEREAS, pursuant to the Agreement, Assignor has agreed to assign, transfer, set over and deliver to Assignee (and Assignee has agreed to accept and assume), subject to the provisions of the Agreement, the following: (i) an undivided interest in LBF's right, title, and interest in and to all of the accounts receivable from LBF Payors set forth on Exhibit A (the "LBF Accounts" and "LBF Payors," respectively) and, without duplication, (ii) an undivided interest in all of LBF's interest in and to the net claims held by LBF against the LBF Payors arising from the LBF Accounts (the "LBF Affiliate Claims" and, together with the LBF Accounts, the "Assigned Affiliate Claims").

NOW, THEREFORE, for and in consideration of the covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the Parties agree as follows:

1. Assignment and Assumption. Subject to the provisions of the Agreement, Assignor hereby assigns, transfers, sets over and delivers to Assignee, and Assignee accepts and assumes any and all Assignor's rights, title and interest in and to, and obligations with respect to, any and all (i) Assigned Affiliate Claims and (ii) proceeds of any nature or type relating to the Assigned Affiliate Claims.

2. Nature of Assignment. Subject to the provisions of the Agreement, this is an assignment of all of Assignor's rights to receive any cash, notes, stock, or other property that may be paid, distributed or issued on account of the Assigned Affiliate Claims, including all cash, securities, instruments and other property or distributions issued on account of such Assigned Affiliate Claims, including interest, if any, on the Assigned Affiliate Claims, causes of action and other rights arising under or relating to the Assigned Affiliate Claims. This assignment is an absolute and unconditional assignment of the Assigned Affiliate Claims and, except as provided in the Agreement, shall not be deemed to create a security interest. With effect as of the date hereof and subject to the provisions of the Agreement, the Assignee hereby becomes owner of the Assigned Affiliate Claims and shall have all rights of the Assignor thereunder, and the Assignor hereby relinquishes all further rights under the Assigned Affiliate Claims.

3. Representations and Warranties. Except as specifically set forth in the Agreement, LBF makes no representations and warranties regarding the Assigned Affiliate Claims.

4. No Modifications. No modification, amendment, or waiver of any terms or provisions of this Agreement shall bind either the Assignor or Assignee unless such modification, amendment, or waiver is in writing and has been executed by a duly authorized representative of the respective party against whom such modification, amendment or waiver is sought to be enforced.

5. Counterpart Signatures. This Assignment may be signed by counterpart signatures, all of which together shall constitute one and the same instrument. Facsimile signatures may be accepted in lieu of original signatures.

6. Governing Law. The provisions of the Agreement relating to Venue and Choice of Law (Section 12) shall govern this Assignment.

**IN WITNESS WHEREOF**, the undersigned Assignor has executed this Assignment effective as of \_\_\_\_\_, 2013.

**ASSIGNOR:**

**LEHMAN BROTHERS FINANCE AG,  
A/K/A LEHMAN BROTHERS FINANCE SA,  
by PricewaterhouseCoopers AG, Zurich,  
as LBF Liquidator, and without  
personal liability**

By: \_\_\_\_\_  
Name: Christiana Suhr Brunner

By: \_\_\_\_\_  
Name: Pascal Portmann

**IN WITNESS WHEREOF**, the undersigned Assignee accepts this Assignment, and assumes the obligations set forth herein, effective as of \_\_\_\_\_, 2013.

**ASSIGNEE:**

**LEHMAN BROTHERS HOLDINGS INC.**

By: \_\_\_\_\_  
Name: Daniel Ehrmann  
Title: Its Authorized Representative

**EXHIBIT E**

**SURVIVING CONTRACTS**

1. Lehman Global Protocol (as defined in the Agreement)
2. Confidentiality Agreement, dated July 23, 2012, by and among LBF, LAMCO and LBHI.

**Proposed Order**



**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

-----X

In re	:	Chapter 11 Case No.
	:	
LEHMAN BROTHERS HOLDINGS INC., <i>et al.</i> ,	:	08-13555 (JMP)
	:	
Debtors.	:	(Jointly Administered)
	:	

-----X

**ORDER PURSUANT TO RULE 9019 OF THE FEDERAL RULES  
OF BANKRUPTCY PROCEDURE FOR APPROVAL OF SETTLEMENT  
AGREEMENT WITH LEHMAN BROTHERS FINANCE AG (IN LIQUIDATION)**

Upon the motion (the “Motion”) dated April 2, 2013, of Lehman Brothers Holdings Inc. (“LBHI” and the “Plan Administrator”), as Plan Administrator under the Modified Third Amended Joint Chapter 11 Plan of Lehman Brothers Holdings Inc. and Its Affiliated Debtors (the “Plan”), for approval of a settlement agreement with Lehman Brothers Finance AG (in liquidation) a/k/a Lehman Brothers Finance SA (in liquidation) pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedure, all as more fully described in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334 and the Amended Standing Order of Reference M-431, dated January 31, 2012 (Preska, C.J.); and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to (i) the United States Trustee for Region 2; (ii) the Securities and Exchange Commission; (iii) the Internal Revenue Service; (iv) the United States Attorney for the Southern District of New York; (v) LBF; and (vi) all other parties entitled to notice in accordance with the procedures set forth in the second amended order entered on June 17, 2010 governing case management and administrative procedures for these cases [ECF No. 9635]; and it appearing that

no other or further notice need be provided; and a hearing having been held to consider the relief requested in the Motion; and the Court having found and determined that the relief sought in the Motion is in the best interests of the Chapter 11 Estates, their creditors, and all parties in interest and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that, the Court having determined and found that the proposed compromise and settlement set forth in the Settlement Agreement is reasonable and appropriate, the Motion is GRANTED; and it is further

ORDERED that any objections to the Motion that have not otherwise been withdrawn or resolved are overruled; and it is further

ORDERED that pursuant to Bankruptcy Rule 9019, the compromise and settlement described in the Motion and contemplated by and provided for in the Settlement Agreement is approved; and it is further

ORDERED that the Chapter 11 Estates are authorized to execute, deliver, implement and fully perform any and all obligations, instruments, documents and papers and to take any and all actions reasonably necessary or appropriate to consummate the Settlement Agreement and perform any and all obligations and transactions contemplated therein; and it is further

ORDERED that the requirements of Bankruptcy Rule 6004(h) are waived and the terms of this Order shall be immediately effective and enforceable upon its entry; and it is further

ORDERED that notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion; and it is further

ORDERED that this Court shall retain jurisdiction with respect to all matters arising from or related to the interpretation or implementation of this Order.

Dated: April \_\_, 2013

New York, New York

---

UNITED STATES BANKRUPTCY JUDGE